$\hat{\mathcal{J}}(y) = \frac{1}{2M}$ 

Phase Ton

AM AGEN

m and meret by wings

who are Marine Margan

untrend

gifted to the comments

sorid The last

iden i serie serie

apital interminant

Person Of view our

HYSTANLEY

7 7 July 25

ore to test⊕

mich signif

·:\*.=:\*\*:

2- ----





Disabilities act

are confused



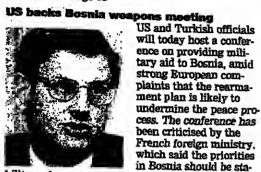


Weekend FT Japanese break

### France pinpoints **Chartres for third** Paris airport site

World Business Newspaper

The third airport for Paris should be built south-west of the French capital close to the cathedral city of Chartres, a government commission recommended. Jacques Douffiagues, a former transport minister, said his commission group had picked an area encompassed by the communes of Santeuil, Beauvilliers and Sainville, in the Eure-et-Loire departement, for the airport, due to be built in the next century. The announcement was greeted with disappointment in the Picardie, Haut Normandie and Central regions, which had proposed rival sites and lobbied strenuously for them over the last few months. Page 18



will today host a conference on providing military aid to Bosnia, amid strong European complaints that the rearma-ment plan is likely to undermine the peace pro-cess. The conference has been criticised by the French foreign ministry. which said the priorities in Bosnia should be sta-

bility and reconstruction rather than weapons procurement. It has also been deplored by officials close to Carl Bildt (above), the international mediator. In defence of the conference, US officials have said that military aid to Bosnia was clearly envisaged in the Dayton peace agreement. Page 18

Yeltsin to crack down on civil servants: The Kremlin is planning a crackdown on civil servants who have abused their positions on the boards of partially privatised companies, a senior presidential adviser said. Page 2

BTR to accelerate non-core divestment: BTR, the industrial conglomerate, said it would accelerate its withdrawal from non-manufacturing operations after reporting a 6 per cent increase in full-year profits. Page 19; Lex, Page 18

Forbes endorses Dole campaign: Steve Forbes, bowed out of the race for the Republican presidential nomination and endorsed Senator Bob Dole for the task of trying to unseat Bill Clinton in November. Page 18; Could do better, Page 16

Deutsche Telekom's mobile telephone arm DeTeMobil will lead a consortium which has won a stake in a Czech GSM digital mobile telephone licence, one of two being offered to introduce competition to the market for the first time.

Olympic Alrways head sacked: Greece's transport minister, Haris Kastanidis, sacked the chairman of Olympic Airways, the troubled state carrier, and said he would replace the board of directors because of "administrative problems" in running the airline. Page 2

Brittan forecasts six to seven in Emu: A "critical mass" of four or five countries would join France and Germany in adopting a single currency in 1999, Sir Leon Brittan, the EU trade commissioner, said at a conference in London on European monetary union. Page 2

Siemens Mixdorf, the computing subsidiary of Germany's Siemens group, has acquired a 10 per cent equity stake in Vobis, another German PC manufacturer, Page 21

BASF, the German chemicals company, announced the acquisition of a DM500m (\$337m) majority stake in Hokuriku Seiyaku, a Japanese drugs company.

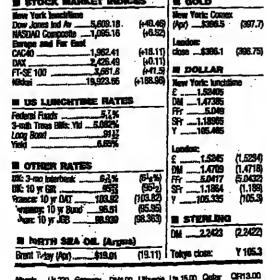
Prices down despite faster US growth: US wholesale prices fell last month for the first time since last June, indicating that inflation remains subdued in spite of recent evidence of faster economic growth. Page 4; Currencies, Page 29; World stocks, Page 40

Fleming American Investment Trust said the US Environmental Protection Agency had formally instituted proceedings against it in a claim for the costs of cleaning-up a polluted site in Slidell, Louisiana. Page 26

The National Power Corporation, the Philippines' largest state-owned company, which is due to be privatised in the next 12 months, saw net profits tumble 35 per cent to 3.9bn pesos (\$149m) last year as a result of higher fuel prices and lower subsidies. Page 23

World Cup Cricket: Australia beat the West Indies by five runs in their semi-final match in Chandigarh, India, and now meet Sri Lanka in Sunday'a final in Lahore, Pakistan.

B STOCK MARKET REDICES . I M GOLD



Belgitam : (2517). Hungary Bulgaria Luri 30,00 celand Opmus : CE1,20 bile

(1.5234) (1.4718) (5.0432) (1.189) (105.3) 15 220 Germany DNA.00 Ultrumin Lts 15.00 Quitar CR13.00 Set Greece DN00 Lux LR75 S.Arabin SR12 Dn12a Hong Kong HKS20 Malka Lm3.65 SingaporeSS4.30 BF17: Hongany P250 Market Lm3.65 SingaporeSS4.30 Monato Dn126 Silvak Ro SidS Lw130.00 celend K220 Malh F 4.75 S. Africa R12.00 Natra Spain Pa250 Natra Sid Silvak Ro SidS NA 50 Natra Silvak Ro SidS Natra Silvak Ro Sil Pleased Portugal partenct Turkey
US.000 Es240 UAE O THE FINANCIAL TIMES LIMITED 1996 No 32,934

Why employers





with tradition

FRIDAY MARCH 15 1996

Investments abroad nearly double to \$33bn to combat effects of strong D-Mark

# German groups look overseas

By Andrew Fisher in Frankfurt

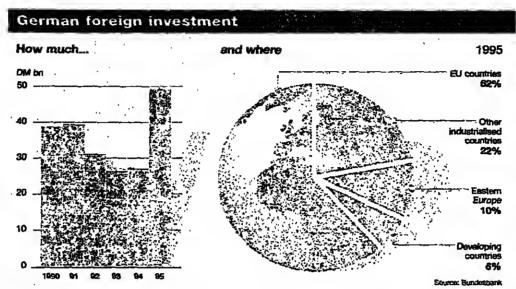
Investments abroad by German companies nearly doubled to a record DM50bn (\$33bn) last year. as they spent heavily to develop business in foreign markets, to avoid increasing German costs and to combat the effects of the strong D-Mark.

But foreign companies were more reluctant to invest in Germany, according to figures in the Bundesbank's monthly report. It said the increasing gap between investment flowing away from and into Germany was "widely viewed with concern" as a cause of job reduction.

Combined with a weak economy and record unemployment, the data will fuel the dabate about German competitiveness and its innovative strength, Further evidence of a slowdown came with a 0.4 per cent drop in manufacturing orders in January over December.

The DM50bn invested by German companies abroad compared with DM27bn in 1994 and a previous peak of DM39bn in 1991, Foreign investment in Germany rose sharply from DM1bn to DM13bn, but this still left a record net deficit of DM37bn, against DM26bn in 1994.

The central bank said the rela-



tively low level of foreign investment in Germany was a sign of the country's reduced attraction for industry.

"Germany seems to be participating less than other countries in the continuing internationalisation of production," the bank

However, the Ifo economics research institute said Germany was unlikely to slide into reces-

The economy should pick up in the second half with a growth rate of about 1,5 per cent for the full year. Yet, Ifo stressed the need for wage moderation to curb unemployment and for government action to bold down taxes, reform the social security system and deregulate the economy, notably by relaxing sbopping

However, the Bundesbank said companies' increased foreign investments were also made to strengthen their position abroad and avoid currency risks associ-ated with the strong D-Mark. The bank said it was increasingly necessary to be present in

export markets with marketing and service networks. "In these cases, direct investments maintain jobs in companies dependent on exports," the bank said. Companies also took advantage

of the opening up of previously restricted markets such as eastern Europe. In addition, Sectors like utili-

ties, telecommunications and finance were being made freer opened to outside investment in many countries. More than 80 per cent of the foreign investment was in Germany's biggest export markets.

Just over 60 per cent was in the European Union, with a further 17.5 per cent going to the US.

The jump in German compa-

nies' foreign investments reflected several big transactions in 1995, though the bank did not name these. Allianz, the insurance group,

paid DM5bn for operations in Switzerland and Italy, Hoechst chemicals bought Marion Merrell Dow, the US pharmaceuticals company, for DM10.5bn and BASF chemicals spent DM2.1bn to buy the prescription drugs arm of Boots, the UK retailer. In the finance sector, Dresdner Bank paid DM2bn for Kleinwort Benson, the UK investment bank.

German shop floors in flexibility deal, Page 2 A strong bottom line, Page 21

### **Customers** deposit themselves at Tokyo bank

By Emiko Terazono in Tokyo

The lobby of Mitsubishi Bank's head office became a stage last night. The cast consisted of 14 disgruntled customers and the point of thair sit-down performance was the public bumilia-tion of a company in a society foud of keeping its embarrassment private.

Mitsubisbi sbied away from the spotlight. It turned off the lobby lights, appearing to ignore the protesters' presence and refused their request for a meeting with the bank's president.

But the bank was polite: "We can't remove them by force because they are our customers." For the bank, the nationally televised presence of Mr Satoru Oishi, a 38-year-old former office worker, and 13 others who bought "variable life insurance" was a reminder of the longevity of embarrassment from policies introduced in the late 1980s.

Insurance companies launched the policies as a way of getting around intimidating inheritance taxes and maximising returns. Homeowners were prompted to go to a bank and mortgage their house to raise the money for a

lump-sum premium. Under the scheme, the policies would cover inheritance taxes once the bomeowner had died. In the meantime, the protesters say, bolders were promised an annual yield of around 9 per cent on their investment, about double the average for life policies in Japan.

But the returns were dependent on fund managers' investments in the stock market. which collapsed at the beginning of 1990 - the Nikkei index remains at about half its peak of 38,915.87.

Having borrowed to buy the policy, some of the 1.2m bolders, most of wbom are pensioners, are struggling to repay the loans.

"Life insurance companies and banks teamed up to sell the insurance without laying out the risks," said Mr Oishi, Who vowed to remain in the lobby until the bank produced its president. He claimed Mitsubishi faced about

Continued on Page 18

# Deal reached to swap information on securities risks

By Richard Lapper in Boca Raton, Florida

International derivatives exchanges and their regulators will today announce agreements to exchange information on the exposure of their common members to excessive risks in different markets.

The accords are an attempt to reduce the risk to financial systems. They follow regulatory weakness exposed by the crisis at Barings bank which collapsed after sustaining losses of more than £800m (\$1.2bn) on the Osaka and Singapore exchanges.

Some 50 International exchanges and clearing houses hava agreed to swap information about common members which appear to be building up risky or potentially excessive exposures.

The 14 regulators are signing a backup agreement which aims to ensure information is traded even when exchanges are limited from co-operating as a result of

legal constraints or commercial considerations.

provide a conduit to ensure that information is passed on," said Mr John Mackeonis, bead of supervision of derivatives exchanges and clearing houses at the UK Securities and Investments Board, the UK securities industry watchdog.

"There is a strong degree of consensus between regulators and exchanges about the issues which have to be addressed," Mr Mackeonis said. "Tha agreements show that the supervisory authorities and the industry are capable of identifying and addressing problems."

The SIB and the Commodity Futures Trading Commission, the US futures industry regulator, cosponsored the regulators' initia-

Because members of futures exchanges pay collateral -



during his third visit to Israel in 19 months where he pledged \$100m as part of an anti-terrorism pact with Israel. On his left is Israeli prime minister Shimon Peres and behind him secretary of state Warren Chris-Continued on Page 18 | topher. Report, Page 4

# Hoechst to separate drugs and chemicals businesses

By Jenny Luesby in Frankfurt Hoechst, the world's largest

chemicals company and fourth largest pharmaceuticals group. plans to separate its drugs and chemicals businesses in an attempt to give better value to shareholders.
The planned move would be in

line with the global trend to separate the pharmacenticals and chemicals industries. It follows the \$60hn merger announced last week by Sandoz and Ciba, tha giant Swiss drugs companies; their combined company, Novartis, will spin off its chemical

Outlining the Hoechst strategy Mr Jürgen Dormann, chairman. said: "I do not believe a pharmaceuticals business such as ours can sit comfortably inside a chemicals company." In the first instance, the group

was planning to "disconnect" the two businesses within the group, he said. It was still "doing its homework" on the next step, once this separation had been achieved. But options included a spin-off of the drugs business and partnerships with other pharmaceutical producers.

The group would be in a position to separate the drugs business from early next year, with the integration of Marion Merrell Dow, acquired last year for \$7.1bn, expected to be completed by the end of 1996, 12 months sooner than planned.

The renamed Hoechst Marion Roussel (HMR) will be the fourth largest drugs producer in the world - after Novartis, Glaxo teen months ago the group set up its Trevira fibres business as a separate entity so that it could form partnerships within the

fibres industry.

The group is also expected to unvell a larga joint venture within its polymers business in coming weeks. The group's Euro-pean business producing the plastics polyethylene and polypropylene was "still too small", it said. "There is only room in this

petitors, and we want to be one of them." One problem in achieving this was the company's dependence on ontside suppliers for its raw materials. Hoechst also yesterday detailed its results for last year. An 85 per cent increase in pre-tax profits, to

market for four to five large com-

reflected the strength of the chemicals market at the beginning of the year, said Mr Dor-However, he said business in

November, December and Janu-

Wellcome and Merck - accounting for around a quarter of Hoechst group sales of DM52bn (\$35.1bn) a year. However, Hoechst's capitalisa. tion at DM28bn is substantially lower than its rivals in pbarmaceuticals. This was not consistent DM4.1bn, on sales up 5 per cent, with realising shareholder value, said Mr Dormann, and Hoechst was committed to achieving a valuation that was similar to its mann competitors. HMR will not be the first Hoechst business to be ringary had been "lousy". fenced within the group with a Lex. Page 18 view to a change of status. Eigh-CONTENTS LONDON - LEEDS - PARIS - FRANKFURT - STOCKHOLM - MADRID - MEN YORK - LOS ANGELES - TOKYO - RÓNG KONG

### Spectacularly FAST. th the 166MHz Viglen takes the lead once again. high speed business PC. The new Vigier Genie PS/166 with a 166MHz Intel Perburn, processor once again breaks the performance barriers to provide species over twice that of many curren The Vigton Grane - the Hagrang of our accounted by the PC press who have marvelled 166MHz processor at its neart, the Genic PS/166 continues Viglen's matrion of leading me field with the reless technology and If sumplier, experience must rank as one of the most important leasure. Definiting that experience in terms of outstanding product customer satisfaction ere all hallmarks of Vigilian AL a leading British PC manufacturer we set our standards right and offer you a comprehension designed to ensure that the charge you make by buying Viglen is the right, one To fled out more about the Genie PS/186 and Vigigo's complete range of products and ees, simply sall the number below and sek for your free copy of the Viglen Otreci Septic and rumember with Viglen you'll Tel **0181 758 7000** Fax **0181 758 7080** Limited, Vigles Husse, Alperton Line, Alperton, Middinen HAO 1DX FOR MORE INFORMATION AND YOUR FREE COPY OF THE VIOLEN DIRECT COIDE PHONE OF RETURN THE COUPON Computer Value on a property of Vigles (amount, Property), M. 2005. Westign 19, and the Reported Sparty on San Ingle and property of Property Computers of the Computer Sparty Indian and Property of the Computer Sparty Indian and Property of the Computer Sparty Indian Amount Indian and Property of the Computer Sparty Indian Amount Indian Amount Indian Amount Indian Amount Indian Indian

By Emma Tucker in Brussels

All EU citizens, bowever rich or poor and however remote their home, should have the right of access at affordable prices to telephone, fax and computer lines, the Commisaion said yesterday.

In response to fears in many EU countries that telecoms liberalisation will lead to a worse service and higher hills, the Commission said all citizens should be allowed to partici-pate in the information society from January 1 1998.

On this date, basic voice telephony - the last significant area of the telecoms sector to remain in most member states under monopoly control - will be thrown open to competition.

The plans are part of the Commission's overall amhition to establish a regulatory environment for the telecoms sector ahead of 1998. The latest proposals entail

some small legislative changes. but are mainly intended as a guide to member states, and the Commission itself as it develops the concept of univer-

The question of basic public service, not just in the tele-coms sector but in other utilities, is expected to be addressed at the forthcoming intergovernmental conference to revise the Maastricht treaty.

The French government, under pressure from public sector unions. would like commitments to public service obligations to be written into the treaty as a safeguard against further liberalisation in sectors such as the post office, energy and rail

The idea will be strongly

factories are closed and

many bomes cut off

from heat in one of the coldest winters in decades, as Russia is

unable to keep electricity, gas and fossil fuel supplies in line

But Ukraine's energy weak-

ness does not mean Russia's

strength: an unexpected bonus

for Ukraine from the days of

Soviet central planning is that 95 per cent of Russla's gas

exports to the west run through Ukraine's pipelines.

'It's a complicated dance of

Ukraine is an energy dead-

heat. A recent coal miners'

with demand.

opposed by countries such as Germany and the UK, and even if some sort of declaration is drawn up it is unlikely to be

under the impression that the Commission is dismantling public service," said a commis-sion official. "But the idea of a public service charter is more gesture than anything else." In its communication on uni-

versal service, the Commission proposes an amendment to existing legislation to make explicit the requirement that users should be able to afford their telephone connection.

However, "affordability" will he decided by the member states themselves, rather than at a European level.

Member states will be free to develop the concept of universal service beyond the Commis-sion's definition, but not so far as to impose additional costs on those companies competing with the dominant operator.
The "affordability" require-

ment will not mean that price cannot go up, added an official. The principle of a competitive environment is that you adjust prices according to costs."

The Commission - the driv-ing force behind liberalisation cept of universal service to evolve, as technology changes. "in two years we will have to

see bow technology has developed and ask whether we need to extend the scope of univer-sal service," said the official. However, she added that it would be premature to define the full scope of unversal ser vice now, as this could result in bouseholds paying for ser-vices they neither needed nor

hinding.
"Public opinion in France is



**NEWS:** EUROPE

Russian President Boris Yeltsin (above centre) demonstrating a new digital communications link for television in Moscow yesterday with the help of Italian President Oscar Scalfaro (bottom left), President Kim Young-sam of South Korea and the Ukrainian president, Mr Leonid Kuchma (bottom right)

# Yeltsin plans purge of companies

run in the longer term.

Mr Ajexander Livshits, the president's chief economic adviser, said that later this

ing foreigners, who would represent the state's interests on the boards of partially priva-

Such a move could lead to Mr Livshits said. "We plan to

raise serious concerns for us," ask many of them - how are

lar politicians. The representatives of the state in joint stock companies

war for wages is at its peak." He said the battle was so intense that government wage armed after being threatened at some factories. Mr Livshits

government wage inspectors have asked to be armed

transit network. Ukraine is the

but leading Ukrainian politi-

huying directly from Gazprom.
"Monopolles are not good for
payment discipline because

they are state-owned and sub-

ject to political pressure," says

a western energy specialist in Kiev. "The government should

get completely out of the busi-

Officials say Ukraine plans

ness of negotiating contracts."

istan - which last year sup-

Klev wants to settle the debt,

higgest missing piece.

economic sovereignty.

cannot be bought with their own salaries." Mr Livshits

to a very understandable demand of the voters who say 'If you cannot give us money, then at least give us justice'."
Mr Livshits also said the Kremlin had a new plan to resolve another aspect of the debt crisis, the federal government's debts to the regions. Resaid some regions, including Krasnoyarsk, Samara and Nizhny Novgorod, would he offered repayment in the form of the government's sharehold-

ing in local enterprises.

Moscow's unpaid hills have
already pushed many cashstrapped provinces to the brink of revolt. Yesterday the Primorsky region, on the Pacific coast, threatened to withhold taxes from the federal budget of Rhs1,800bn by April.

# German become. flexible to save jobs

hile German supply-ers and trade unions have failed to nego-tiate a nationwide alliance for jobs" - trading off pay restraint fer job creation individual companies and their works councils have had more success in striking plantlevel deals.

This week Mercedes-Benz agreed with its works council to introduce more flexible working hours in return for job guarantees. Mr Heiner Tropitzsch, Mercedes-Benz's personnel director, said the deal "helps secure our Stuttgart production base and its jobs".

The deal is the latest in a ments in which German vehicle workers have accepted the need for working time flexibility in a way that was unthinkable only a few years The Mercedes works council

agreed in principle to work three shifts, rather than two, to deal with demand peaks. Daily working hours can now vary between 7.5 and 9, while the company will have two years, rather than one, to bring an individual'a "working time account" into equilibrium. With improved flexibil-ity, Mercedes hopes to be able to react faster to sudden changes in demand without incurring a financial penalty.

Mr Relmut Lense, head of the works council in Mercedes's Untertilischeim factory in Stuttgart, said: "We have agreed our own alliance for jobs. We have shown ourselves flexible and have secured employment guarantees in return, and what is also important is that we have secured investment guarantees

for the future."
Without the agreement,
1,800 of the 17,500 jobs at the
plant would have been at risk, as Mercedes was threatening to shift pre-production work ontside Stuttgart - possibly

or its part, the company has promised to forgo compulsory redundancies until December 2000 as long as order levels hold up. Mercedes even agreed to hire an extra 100 staff.

The agreement will stabilise employment after several years of drastic job cuts, Volkswagen and Adam Opel, the German subsidiary of General Motors, reached similar agreements with their workforces last year, also simed at securing jobs in return for

more flexibility.
At a national level, any eventual "alliance for 10 will be more modest than lead ing trade unionists had boped, Mr Klaus Zwickel, president of IC Metall, the metalworkers' union, last year proposed the alliance to create more than 300,000 jobs by the end of 1998 through wage moderation and overtime curbs. His initiative : sparked a national debate shout memployment, but national-level talks with gov-ernment and employers failed

to realise his hopes. to realise his hopes.

At Opel, the introduction of flexible working hours was to expected to improve overall. productivity by 11 per cent. Mercedes will also raise its productivity rates, not least because it secured the de facto abolition of the most notorious working practice in the Ger man metal industry, an unpaid

cent overtime premium for any work carried out on Satur much longer.

kintapyg jyl k

Part House

Self bear

Huck

OF

Wolfgang Münchan

Robert Corzine in Moscow

The Kremlin is planning a crackdown on civil servants who bave abused their positions on the boards of partially privatised companies, a senio presidential adviser said

The purge is part of a hroader campaign against state corruption which Russian President Boris Yeltsin has launched in the run-up to June presidential elections, but it could dramatically alter the way Russian companies are

year the government planned to replace its bureaucrats with

Anger in Russia over unpaid salaries is so intense that

Soviet-era industrial barons

and the government-appointed

outside directors. Mr Livshits described the attack on errant bureaucrats as the next stage in the "war" against the endemic corruption which he blamed for the mountain of wage and tax arrears which has crippled the Russian economy and made the presi-

you defending the interests of the state if the company doesn't pay taxes or wage Last month Mr Yeltsin vowed he would pay all wage arrears by March and since that declaration dozens of civil servants and company directors have been sacked for con-tributing to the problem. Mr

Livshits said yesterday: "The

contracts at the new rate after Ukraine turned off the pipeline

Ukraine's assertiveness sur-

prised some political analysts

at a time when other ex-Soviet

republics - Belarus. Azerbaijan

hle energy deals with Moscow.

Ukraine's big gas debt to Gaz-prom was run up because Kiev would not free domestic energy

prices and crack down on non-

payment at its bankrupt indus-

tries. Almost the entire debt

has been converted into

Moldova and Belarus struck

similar deals: their debt was

subsequently converted into

long-term government bonds

with a two-year grace period.

for a few days in January.

estimated at up to Rbs18,000bn (\$3.75bn), would not be paid off by the June 16 presidential election but hoped voters would reward Mr Yeltsin for his clean-up. "We understand that voters

try's wage arrears, which he

Ukraine exploits its energy pipeline monopoly with Russla's 52bn cu metres and court Azeri and Middle Eastern oil producers to diver-

> cians fear Gazprom's desire for Mr Evhen Marchuk, the a controlling stake in a crucial enterprises cedes too much prime minister, this month assured nuclear plant directors that nuclear power would be a Pressed by this anxiety and the IMF, Ukraine has moved to centreplece of the country's improve payment discipline. energy future. Ukraine is Ukrhazprom, Ukraine's gas resisting pressure to close the concern, last month got out of Chernobyl nuclear plant, arguthe gas trade business; ing it would lose 5 per cent of regional wholesalers are now

sify imports.

its energy. Others demur. "Ukraine doesn't need the extra capacity," says the IMF official. Industry already uses far more than it needs. The other solution, popular in government circles, has been to wait for spring. If seasons were not cyclical, that would be the end of the story.

Matthew Kaminski

# Austrian bankers join Olympic Airways boss sacked campaign for openness

admit that the 200-year-old

tradition of banking without

any proof of identity violates Austria's obligations under EU

banking directives and the

United Nations drug conven-

tion. As a substitute, they ask

for stricter bank secrecy laws.
"We will not be able to keep

pean integration. The EU

guidelines leave no room for

interpretation," said Mr Wal-ter Fremuth, supervisory

board chairman of Creditan-

stalt. Austria's second-largest

bank, in a recent interview

The chairman of Bank Aus-

tria's supervisory hoard, Mr Reno Alfons Haiden, called on

banks and government alike to prepare public opinion for the

end of anonymity. "One should not tell the Austrians

constantly that ancoymity is part and parcel of their

These statements are embar-

rassing for those banking

chiefs who jumped to the

defence of anonymity when

the European Commission

warned the government last

month that current disclosure

rules for bank customers are

In a rare gesture of unanim-

ity, the country's main banks

immediately rejected the EU

criticism and called upon the government to remain defiant

against the growing pressures

from Brussels. There are an

estimated 26m anonymous

savings accounts at Austrian

banks with a total of Scb1,400bn (\$136bn).

Privately, bankers say they

inadequate.

savings culture," he said.

with the daily Kurier.

By Eric Frey in Vienna

The consensus in Austria in defence of anonymous savings accounts against Enropean Union opposition is gradually breaking down. A growing number of senior bankers are calling for a change in the country's banking practices. Most banking experts are anonymity because of Euro-

still dismissive of international criticism that widespread use of anonymous accounts leaves Austria open to laundering drug money and THE FINANCIAL TIMES

THE FIN OSCIAL TIMES Published to The Financial Times (Europe) (1908). Nibelungeraphit 3 101318 Frankfurt am Main, Germany Telephone +4-49 to 150 to 150, Fax 9-4-9 to 159, 4-83 Represented in Frankfurt by J Walter Brand, Withelm 1 Britisel, Colin A Kennard as tis christishiner and in London by David C M Bell, Charman, and Alan C Miller, Deputy Charman, Shareholders of the Financial Times (Europe) Canell are: The Immancial Times (Europe) Cal, London, and F.1 (Cermany Advertising) Lift, London, Stateholder of the above mentioned two companies to The Financial Times Limited, Number One Southwark Bridge, London SEI 9HL (EENLINY): GERALINA:

Reportable for Advertising, Colin A. Ken-nard Printer Harriset International Ver-lag-govellachaft mbH. Admiral-Rosendahi-Na. Responsible Editor Rehard Lam-bert, do The Financial Times Limited. Natural Company of Southwark Bridge, London SEI 9RL. FRANCE: Distort P. Maranelia, 42 Rus-publishing Director P. Maranelia, 42 Rus-

FRANCE: Publishing Director: P. Maraviglai, 42 Rus-La Boota: "SOW PARIS, Telephone (01) 5376-8254, Fax (01) 5376-8253, Pranter: S.A. Novd. Eclan, 15/21 Rus-the Caire, F-5/400/Roubary Cedes 1, Editor Richard Lambert, ISSN 1146-2753, Commission Directors (4) 2008-2008

Responsible Publisher, Hugh Carnegy 468 613 6688 Printer: AB Kvallstidingen Expressen, PO Box 6007, \$-550 06. h nicepung
The Financial Times Limited 1996.
Editor: Richard Lambert,
Go The Financial Times Lamted, Number
the Southwark Endge, London SE1 9HL. surge in electricity demand from Ukraine which Russia felt was putting pressure on Russian supplies Gazprom, the Russian gas monopoly, has accused Kiev of not keeping up payments on

main source of gas and oil, has

taken its neighbour off their

shared power grid, following a

this year's import hill - on top of its debt of about \$4bn - and threatened to sbut the taps. But Ukraine's transit monop oly gives it leverage, notably In January a bitter fend broke out after Ukraine raised

two monsters - what the Communists called bllateral monopolies," says an official at oil transit fees 10 per cent on the International Monetary the Druzhba pipeline to Europe without consulting the Moscow government. Ukraine could act unitaterally because Russla strike and unusually cold weather have depleted fuel supplies it with just 15m tonnes of oil at world market reserves and led to power cuts prices but sends another 57m



tonnes through its pipeline network linking central Europe and the Black Sea ports of Odessa and Novorossisk. Russia's fuel and energy

when all the main banks com-

pete fiercely for new custom-

ers and accounts, appearing

weak on the popular issue of

anonymity would hurt their

They also blame the finance

minister, Mr Viktor Klima,

who rejected possible alterna-

Most bankers believe a tight-

ening of Austria's bank

secrecy laws is needed to reas-

snre customers that their

affairs are confidential

even if the bank knows their

At the moment, banks can

be forced to open an account if the authorities suspect any

wrongdoing. In Switzerland and Luxembourg, a suspect's financial privacy is protected until he or she is officially

If bank secrecy is not improved, bankers fear small investors will withdraw

money from banks or shift funds abroad if the EU forces

Austria to abandon anonym-

ity. "We have to build confi-

dence so that savers will not

go back to hiding their money

under a pillow," one banker

But Mr Klima told a banking

delegation fast month that

current bank secrecy laws

Instead, the finance minister

wants to fight for anonymity

all the way to the European

This might give anonymous

savings accounts a respite of

several years, but is unlikely

to save them for good, most

tives to anonymity.

identity.

said.

were adequate.

Court of Justice.

privatised Russian oil concerns

By Kerin Hope in Athens

Greece's transport minister, Mr

Haris Kastanidis, yesterday

sacked the chairman of Olym-

pic Airways, the troubled state

carrier, and said he would

replace the hoard of directors because of "administrative

problems" in running the air-

The dismissal of Professor

Rigas Doganis, an interna-

tional aviation industry expert

who took over as chairman

and chief executive 13 months

ago, came two days after Mr

Neil Kinnock, EU transport commissioner, raised the issue

of political interference in

Olympic's day-to-day manage-

ment with the Greek minister.

The Socialist government is

seeking Commission approval

for the second tranche of a

equity stakes in the countries' energy infrastructure. A new pipeline through Belarus. to pay the old fee, but appears to have lost for now. Russian oil companies signed export

hypassing Ukraine, is under construction. But if Gazprom wants to control the entire

by the EU for releasing the funds. The Socialists ignored a ban on fresh subsidies by approving Drllbn in extra benefits for Olympic employees who took early retirement under the restructuring plan. The gov-ernment also permitted political meddling to continue, despite having agreed that

operate independently.

Analysts said the decision to

Dr54bn (\$223m) capital injection under a three-year rescue Socialist-led trade unions take plan launched last year. But the government has not met two important conditions set appointment as chairman of

Professor Nicholas Blessios, a Olympic's managers would

fire Prof Doganis, in spite of his success in meeting the rescue plan's first-year targets, indicated that the government had ahandoned its commitment to management reform

control of decision-making. · Mr Kastanidis said the chairman and chief executive's jobs were being split, following the

husiness school specialist who has little management experi-Olympic's new chief executive. Mr Jordan Karatzas, is a former consultant to OSPA, a federation formed by the air line's 18 unions. The current general manager, Mr Miltiades Tsangarakis, is not being

replaced. Greece's powerful public sector trade unions are used to having a say in decision-making at state corporations, hut during Prof Doganis's tenure Olympic's union leaders were

less able to exert pressure. Olympic earlier this week announced net income of Dr6.47bn in 1995, despite a 10 per cent fall in revenues from international flights as a result of a poor tourist season. Operating expenses fell by almost 20 per cent following cost-cutting measures and staff cuts agreed under the terms of the restructuring. However, Prof Doganis faced

fierce opposition from board members over his plans to introduce a product relaunch, form strategic alliances with regional airlines, and launch a \$60m renewal of Olympic's ageing fleet. Olympic has little chance of achieving this year's target of a Dr17bn profit under the restructuring plan unless it attracts more international business traffic, analysts said.

five-minute break every hour.
Like Opel and VW before it,
Mercedes also fatled in an attempt to turn Saturday into an ordinary working day, and will continue to pay a 20 per

days. But few Germans would bet their Saturday wages that this situation will prevail for

Commissioner says 'critical mass' of members will make single currency workable

# Brittan forecasts six to seven in Emu

By Graham Bowley, Economics Staff

A "critical mass" of four or five countries would join France and Germany in adopting a single currency in 1999, Sir Leon Brittan, the EU trade commissioner, said yesterday at a con-ference in London on European monetary union.

In a robust defence of the single currency project, Sir Leon warned against loosening the convergence criteria for Emu and said any delay in adopting the single currency could threaten the

"If Emu were once postponed doubts would mushroom as to whether it was ever going to happen," he said. Coun-

tries would relax their efforts to converge, which would lead to higher interest rates, more volatile exchange rates and lower trade and investment. Sir Leon argued strongly against the

adoption of an exchange rate system after 1999 between the proposed new European currency, the euro, and those currencies remaining outside Emu. He said the fear that countries which did not join Emn would indulge in com-

petitive devaluations was exaggerated. The European Commission would "resolutely oppose" any efforts by countries within Emu to impose sanctions on those outside the single currency to compensate for their ability to devalue.

satisfy the convergence criteria in 1997. He thought the UK should not hold a referendum on the single currency since "it is no part of a British constitutional system". ■ The president of the Swiss National

Bank last night criticised the statutes of the planned European Central Bank for giving the central council - "that is to say, politicians" - the right to adjust central rates of the new single currency, Nick Krause writes from Jersey. Mr Markus Lusser told a British-

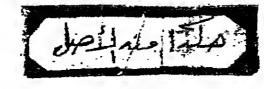
Swiss chamber of commerce dinner in Jersey that history showed politically determined parities were seldom compatible with economic development. Mr Lusser also criticised the five con-Sir Leon said the UK was likely to vergence criteria for the planned single

currency as "hy no means sufficient for successful monetary union. Factors such as how flexibly prices and wages reacted to economic disturbance, the mobility of labour and the operation and effects of monetary policy should also be considered.

Dr Lusser said the markets would expect currencies of countries which

expect currencies of countries which did not participate in the single currency to depreciate.

"These expectations will trainfaire into higher that premains and higher real interest rates, making builded consolidation more difficult." He said. This will make compliance with the countries gence criteria less likely and the rate pect of ever gaining access to thin will diminish."



The Box and the Control of the Contr

The second secon

The second secon

Control of the Contro

Secretary of the second

A CONTRACTOR OF THE PROPERTY O

Fore Prize Prize Box

Section 1997

on the second

F 1 7 . 44 PER C

Control will be Retter

And the second s

. 45 - 45 - 110 Liesus

2 07 -- 2004

----

人 计主证据

- J. T. J. and

. granamative

Arat. but

. . . iziled

ion of

- granali

.... least

...... To retibes

a facto

Section District

.. ... jebate

gradient in the court of the A.C.

n. 5 ---

MANGELLANG

**EUROPEAN NEWS DIGEST** 

# Europe shipping register dropped

The European Commission said lack of interest from member states had prompted it to withdraw a proposal to establish an EU shipping register. Instead of pressing for the register, which would have granted tax breaks to shipping companies in return for a commitment to hire EU sailors, Brussels said it would redraw its guidelines on state aid to the shipping

The Commission also intends to keep up pressure to improve safety and environmental standards at an international level: The policy is based on the common application of internationally agreed rules, legislation laying down certain principles for member states' shipping registers.

plus development of certain conditions to be applied to flag administrations and their ship registers on a worldwide basis. Mr Neil Kinnock, transport commissioner, said that in too many countries outside the EU the provision of convenient and cheap register facilities permitted shipping companies not only to save operating costs, but also sometimes to evade safety regulations.

Emma Tucker, Brussels

### Greeks stand against Schengen

Greece has refused to ratify the EU's Schengen agreement on free movement across borders on the grounds that privacy would be violated by a computer data base in Strasbourg, set up to prevent criminals moving around Europe.

The justice minister, Mr Evangelos Venizelos, told parliament the Socialist government would not ratify the treaty, signed by its conservative predecessor. He said the

accord conflicted with a Greek law banning public agencies with the exception of the tax authorities - from keeping electronic files on private citizens.

### Olive branch over Aegean

Mr Mesut Yilmaz, Turkey's prime minister, has responded positively to proposals by Mr Theodoros Pangalos, Greek foreign minister, that both countries reduce their military forces in and around the Aegean sea. Turkey and Greece came to the brink of an armed confrontation in January in a dispute over two uninhabited Aegean islets. Mr Yilmaz said Turkey was prepared to withdraw its fourth army from the Aegean coast, where it was stationed in 1975 after Turkey's invasion of Cyprus, ostensibly to deter attack from nearby Greek islands. However, Mr Yilmaz said: 'First we must have a dialogue. We must see that Greece can be trusted first."

Turkey's parliament was last night expected to approve an extension of the government's emergency powers in 10 mainly Kurdish provinces of south-eastern Turkey, Mr Yilmaz has promised be will soon phase out the emergency rules, comparable to martial law. John Barham, Ankara

### Rome bickering on candidates

Last-minute squabbles over the allocation of seats within Italy's two broad political alliances are holding up the . completion of candidate lists for the general elections next month. The lists are due to be completed by Monday, but small groupings are still fighting to obtain greater visibility. The small Christian Democratic Centre (CCD) and the Christian Democrat Union (CDU) have withdrawn a threat to pull out of the rightwing alliance headed by Mr Silvio Berlusconi, the former premier, having obtained guarantees for their candidates to fight 110 seats in the chamber of deputies and senate covered by first past-the-post voting. This has been at the expense of other small allies - the

candidates backing Mr Marco Pannella, the founder of the Radicals, and Mr Vittorio Sgarbi, the TV chat show

**ECONOMIC WATCH -**

### Swedish GNP takes downturn

Sweden's economy went into of last year, breaking a trend of rising output that had held

recession. Figures released by the Central Bureau of Statistics showed GNP shrank by 0.4 per cent in the last quarter, compared with the third quarter, leaving GNP growth for the full year at 3 per cent, slightly less than most estimates had reckoned. There was, in however, better news on the inflation front as prices rose in the year to February by 1.7 per cent, compared with 2 per

reverse in the fourth quarter

since the end of the 1991-93

cent in the year to January. The easing of inflation pressures has allowed the central bank to cut interest rates in recent weeks in a bid to bolster flagging economic growth.

The fourth-quarter GNP figures reflected a 1.6 per cent fall in public consumption and slower growth in industrial output

than earlier in the year. The results underlined forecasts that growth in 1996 will be well below last year's overall level, probably at less than 2 per cent. Hugh Carnegy, Stockholm

Portuguese prices jumped 0.6 per cent in February, but the annual rate of inflation remained steady from the previous month at 25 per cent.

Spain had a Pta216hn (£1.1bn) budget surplus in February after a deficit of Pta151.9bn in January, and compared with a Pta198.6bn surplus a year earlier.

# Transatlantic row looming over Bosnia

The US wants to rearm Sarajevo, while Europe wants to improve relations with Serbia, report Lionel Barber, Harriet Martin and Laura Silber

Carl Bildt risks

scapegoat if it all

goes badly wrong

This would further under-

mine the legitlmacy and viability of Republika Srpska - an

outcome the Bosnian govern-

ment, and possibly its US sup-porters, might view as emi-nently desirable.

disbursement of any recon-

struction credits for Republika

Srpska, while some European

countries have argued that the

Bosnian Serbs should qualify

Analysis say the contrast

between US and European pri-

orities in Bosnia reflects a

broader difference of approach

to the region. US policy has

always attached greater impor-

tance to shoring up the cause

of the Bosnian Moslems, and

drawing them away from the

argued that these aims could

best be achieved by arming the

Bosnian military, and if neces-

Many US politicians have

influence of Iran.

US officials have resisted the

becoming the

glittering Paris ceremony where US and European leaders buried their past squabbles to become cosponsors of peace in Bosnia, the tawdry spectacle of a transatlantic row over the Balkans

is looming once more. European unhappiness with Washington will come to a bead today when would-be pro-viders of military aid to the Bosnian government bold a conference in Ankara, with the US chipping in the first \$100m towards an \$800m (£523m) rear-

mament programme.
The US plan to boost the Bosnian army is neither a new policy nor a contravention of the peace accord, which prescribes a ratio of 52:2 for the future arms holdings of Serb-led Yngoslavia, Bosnia and

Given that the Serb side now has a greater advantage than this, observing this ratio means building up the Bosnian forces - unless the regional arms control talks now in progress in Vienna agree on lower ceilings all round.

But in the suphemistic lan-guage of diplomacy, European officials are saying that US zeal for rearming Bosnia is sending "all the wrong signals" to the region.

They fear it could wreck the

already slender chances for zenuine reconciliation, play to the hands of hardliners in 'all ethnic groups, and under-mine the Vienna talks. Feeling is running especially

high in the entourage of Mr Carl Bildt, the EU nominee who is co-ordinating the civilian aspects of the Bosnian peace process - and risks becoming the scapegoat if it all goes badly wrong. One official close to Mr Bildt

described the US rearmament programme as "overkill" and said it could seriously complicate the former Swedish prime minister's work.

Washington's keenness to offer military aid is being contrasted with the parsimony of the US government, and above all Congress, in providing reconstruction assistance. The transatiantic tension comes at a delicate moment for Mr Bildt, succeeding in his efforts to per-suade the US-led Nato mission to help him more with logistics and transportation.

Until recently, Mr Bildt's staff were often irritated by the way Nato commanders seemed willing to provide transport for US officials, such as the human rights envoy Mr John Shattuck, but not for the Swed-ish mediator or his staff.

Now this problem seems to be easing. But further scope for tension is provided by the delicate issue of how exactly to organise the elections to a complex series of Bosnian institutions which are due to take place between June and

September this year. On current plans, the elec-toral roll of 1991 will be taken as a basis for the forthcoming ballot - although half the peo-ple on that list are either dead

Mr Bildt is understood to have argued privately for a more "realistic" election system in which people who have fled from one part of Bosnia to another would in most cases register in their new place of

On the face of things, insistence on using the 1991 electoral rolls is a more idealistic approach, and doing anything else would amount to accep

Three months after the tance of the results of ethnic power. This school of thought cleansing.
But the likely result of using the 1991 list is that many towns in Republika Srpska army'a hands. the Serb zone of Bosnia from

which most non-Serbs have been expelled - will have two local authorities: a "council-inexile" elected by refugees who flict, even if this involves conhave little prospect of returncessions to the Serb side which ing, and a de facto local authority appointed by current resi-

diplomats in Belgrade.

remains very cautious.

Washington is tying full nor-

European partners continue to co-operate amicably within the 60,000-strong Nato force, which has acted as a powerful stabilising factor, it should be possihie to finesse most transatian-

But if Washington sticks to strong contingent by Decem-

even more to lose from sary backing it up with US air renewed war in Bosnia.

questions the need for western ground troops, whose presence

bas often tied the Bosnian European governments, by contrast, have been most con-cerned with stabilising the region and containing the con-

the US regards as excessive.
This explains the contrasting behaviour of US and European

While EU countries are vistbly impatient to boost their relations with Serbia - and France has already upgraded its charge d'affaires to the sta-tus of ambassador - the US

malisation of its relations with Serbia to improvements in the status of the Albanian commonity in Kosovo, whose autonomy has been ruthlessly sup-pressed by Belgrade. As long as the US and its

tic differences.

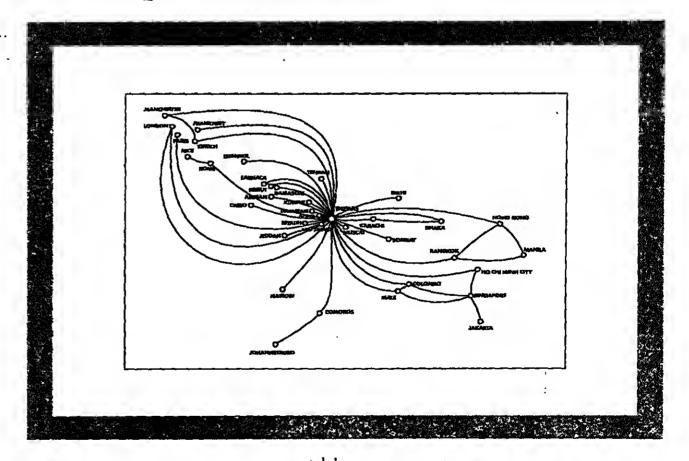
its plan to withdraw its 20,000ber, and the Bosnian parties remain as far apart as ever, the US-European relationship could again come apart at the

So far, the Europeans are insisting that they will withdraw along with the Americans, come what may but they, in the end, may have



Armed Serbs carry an Orthodox cross through Grbavica, a Serb-beld suburb of Sarajevo due to come under Croat-Moslem rule next week, after the closure of a makeshift church yesterday.

# Emirates. The perfect connection.



1 Best Long-Haul convier 95

Good news: Emirates now serves Dubai 21 times a week from London and 5 times a week from Manchester, with good connections to over 20 cities in the Middle East and beyond.

Better news: you'll be choosing the airline voted Best Carrier to the Middle East and Best Long Haul Carrier '95 by Executive Travel Magazine.



THE FINEST IN THE SKY

R4 INTERNATIONAL AWARDS, IS INTERNATIONAL DESTINATIONS. CALL US ON 817: 888 8888 (LONCON) OR 9181 497 9887 [MANCHESTER). OR CALL YOUR TRAVEL AGENT.

25-28 APRO ROMANI

20-23 JUNE STRUZZIRIANI

ANUNIQUE

**BUSINESS FORUM** OF THE BLACK SEA ECONOMIC **COOPERATION** 

BUCHAREST - 25/28 APRIL 1996

YOU WILL MEET IMPORTANT DELEGATIONS FROM THE BLACK SEA COUNTRIES, FORMER YOUGOSLAVIA AS WELL AS NEAR EAST AND MEDITERRANEA

A CONFERENCE ORGANIZED BY THE CRANS MONTANA FORUM THE BLACK SEA ECONOMIC COOPERATION COUNCIL. THE CHAMBER OF COMMERCE OF ROMANIA AND THE WORLD TRADE CENTER BUCHAREST

CRAINS MONTANA FORIDA SINCE 1989 INTERNATIONAL N.G. ORGANIZATION WITH CONSUMERITY STATES COUNCY OF BURULE INFORMATION AND REGISTRATION

CRANS VENNEANA FORUM - 3 COURS OF RIVE C.P. 3406 CH - 1211 GENEVE 3 Phoni: (45) 22-310.93.95 Fax: (41) 22-316.99,05 Tepix: 425 052 Faxo CH INTERNIT: http://www.forum-crans-montana.ch.

Walfarra Münchau

 $\sum_{i=1}^{n} |a_i|^2 \leq C_{n+1}$ 

# US cigarette makers in disarray

By Richard Tomkins in New York

US cigarette manufacturers were in disarray and tobacco stocks tumbled for a second day as industry analysts digested the implications of this week's legal settlement between Liggett, one of the smallest tobacco manufactur-

ers, and anti-tobacco lawyers. The big tobacco companies vowed to carry on fighting anti-tobacco lawsuits in the courts, but the deal was widely seen as an historic turning point that could open the way for US cigarette manufacturers to be successfully sued for billions of dollars' worth of dam-

ages. Mr Graham Kelder, managing attorney at the Tobacco Products Liability Project at Boston's Northeastern University School of Law, said the implications of the deal went far beyond the consequences

"For four decades, the tobacco industry has presented a united front to the world US cigarette industry gave record amounts of money to politicians and political parties last year to fight growing pressure from the government, the advocacy group Common Cause said yesterday, AP and Reuter report.

Tobacco companies gave a combined \$4.1m to federal parties and candidates in 1995, the highest total on record and dwarfing previous non-

election-year giving, said Common Cause. The total included \$2.8m in unregulated "soft money", the cash companies and unions can give political parties in unlimited amounts to build their organisations and turn out voters, and \$1.3m in direct giving to candidates.

Yesterday an organisation called The Campaign for Tobacco-Free Eds challenged members of Congress to stop accepting tobacco industry contributions. The group's general counsel, Mr Matthew Myers, proposed an advertising campaign and grassroots pressure on

Wall Street seemed to take

the same view. In early trading

yesterday, shares in Philip

Morris, the biggest US tobacco late them or anyone tries to sue them." Mr Kelder said."That has been the linchcompany, plunged \$5 to \$93, following their decline of \$3% the day before. Shares in RJR pin in their litigation strategy. Now that united front bas been Nabisco, the second biggest shattered, the other companies tobacco company, fell \$1% to will be much easier targets for

Liggett, maker of Chesterfield and a range of cut-price cigarettes, announcad on Wednesday that it had agreed

the same provision to any cigarette company with which it subsequently merged. The money will go into a fund to belp people give up smoking. In a further provision, Lig-gett also agreed to abide by some of the restrictions proposed by the US Food and Drug Administration in its

drive to limit marketing of

tobacco products to children. in return, the plaintiffs' lawyers have agreed that this will end all future claims against Liggett for nicotine addiction. They have also promised not to block a plan by Mr Bennett LeBow, the corporate raider who controls Liggett, to seize control of RJR Nabisco and

spin off its Nabisco food busi-

Analysts say the deal is simply a ploy hy Mr LeBow to boost his chances of control-

ling RJR Nabisco. But by acknowledging product liability for the first time, the deal also risks breaking the industry'a record of never having paid out any damages in any

# Prices down despite faster US growth

in Washington

US wholesale prices fell last month for the first time since last June, indicating that inflation remains subdued in spite of recent evidence of faster economic growth.

The labour department said the producer price index for finished goods fell 0.2 per cent. partially reversing a gain of 0.3 per cent in January. The annual rate of producer price inflation dropped to 2 per cent

from 2.3 per cent. The figures contrasted favourably with projections on Wall Street of an increase of 0.1 per cent last month. The drop reflected falls in food and energy prices. However, even excluding these volatile compo-nents, the "core" index rose by only a marginal 0.1 per cent, after a 0.1 per cent decline in

Separate data pointed to an improvement in job prospects. but at a slower pace than suggested by last week's report

1995

of a freak 705,000 increase m payroll employment in February. Initial claims for state unemployment insurance were reported down 10,000 to 353,000 in the week ending March 9. The average of claims over the latest four week period - a

trend - fell to 364,000 from

The price and jobs figures suggest investors were wrong

better guide to the underlying

unexpected surge in persent employment signalised a of unsustainable growth.

Instead they appear the roborate the more rea findings of the Federa Reserve's latest survey of regional economic trends. This indicated most areas of the US are seeing moderate, non-inflationary growth after a stagnant period at the end of last

But given continuing uncertainty about the strength of the upturn, yesterday's producer price figures were not seen as sufficiently encouraging to prompt an early cut in short-term interest rates. The Fed is widely expected to take no action at its policy meeting on March 26.

The price data showed little evidence of inflationary pressures at earlier stages of pro-duction than finished goods. The price indices for intermediate and crude goods fell 0.4 per

# Carlos Menem: chance of meeting 1996 fiscal targets

# Menem granted powers to increase tax levels

an out-of-court settlement in

the biggest lawsuit pending

against the tobacco industry

the so-called Castano case,

which seeks compensation for

the consequences of smokers'

Liggett agreed with the

plaintiffs' lawyers to pay 5 per

cent of pre-tax profits up to a

maximum of \$50m over the

alleged addiction to nicotine.

Meanwhile European eigarette manufacturers

closed ranks yesterday to insist that the land-

mark liabilities settlement agreed by Liggett on

Wednesday would have no bearing on anti-tobacco litigation efforts across Europe.
"This is a genuinely American case," Spain's

state-owned Tabacalera said. "There is neither

such strong anti-tobacco pressure in Europe nor

However, a British law firm preparing a legal

battle with the tobacco industry urged compa-

nies operating in Europe to follow Liggett and

agree out-of-court settlements. London law firm

Leigh, Day & Co said Liggett had shown a "degree of imagination" that could be used to

The firm expects to bring some 300 cases of

allegedly smoking-related cancer, emphysema

and Buerger's disease - the circulatory condi-

tion that ultimately results in limb amputation

resolve future claims across the industry.

before the British High Court in July.

such a habit of launching lawsuits."

in Ruenos Aires

Argentina's Congress bas granted President Carlos Menem significant new powers to modify tax levels by passing a bill which is seen as critical to the government's chances of meeting 1996 fiscal targets imposed by the IMF. The so-called "superpowera" bill gives Mr Menem and Mr Domingo Cavallo, his economy minister, powers to increasa tax rates and levy new taxes without prior congressional

In an apparent setback for the government, the lower house of Congress endorsed a Senate modification to the bill that will require a congressional committee to be consulted on the use of the new powers

most analysts believe the gov-ernment will be able to work within its constraints. "Cavallo sent a tougher law to Congress than be wanted, and has ended up with what he wanted," one political analyst said. Significantly, the lower housa rejected a second Senate amendment that would have required the government to initiate a wholesale reform of the

tax system before June 1, While the "superpowers" will increase Mr Cavallo's control of economic policy, he suffered a further political setback with the resignation on Wednesday of a key ally, Mr Hugo Gag-gero, tha head of the DGI tax bureau. Mr Caggero said be was quitting to belp in the investigation of allegations that bribes were paid in the awarding to IBM of a \$249m contract to upgrade state-

owned Banco Nación's computer system. Mr Gaggero's departure fol-

lowed last week's sacking by Mr Menem of Mr Haroldo Grisanti, the national post office head and another close confidant of the economy minister. As part of the reshuffle of economic posts in the wake of Mr Gaggero's daparture, another Cavallo ally and former deputy minister, Mr Carlos Sanchez, became tax chief, and economic planning secretary Mr Juan Llacb became Mr Cavallo's deputy. • AP adds: Argentina is to protest within two weeks to the UN to highlight alleged British breaches of South Atlantic fishing policy. "Britain's disobedience of the UN's indications and mandate is serious," Mr Guido Di Tella,

### Venezuela cabinet reshuffled

By Raymond Colitt in Caracas

President Rafael Caldera of Venezuela yesterday resbuf-fled his cahinet, following weeks of protests and a threatened wave of strikes over government economic policy. He made seven new appoint

ments, including the ministers of planning, development, jus-tice, interior, and tha secretary of the presidency. Mr Teo Eoro Petkoff of the MAS socialist party was named planning minister. Mr Petkoff, an economist, was

recently appointed to tha team to negotiate with the Internatinnal Monetary Fund. Mr Freddy Rojas Parra, for-mer president of Fedecamaras. the federation of industrial commercial chambers, will head the ministry of

### House passes US spending bill Republican mismanagement. US Honae

Representatives yesterday ed and sent to the Senate legislation financing a host of government operations for another week in a vote calculated to avert a partial government shutdown, AP reports

from Washington. The Senate was expected to follow suit and President Bill Clinton was expected to sign the measure. That would buy time for the administration and Congress to work out a compromise on a \$160bn (£105bn) longer-term measure financing government operations during the six-andhalf months remaining in fiscal 1996.

Although the one-week stopgap measure - the 10th temporary spending bill since the fiscal year began in October passed comfortably, Democrats grumbled that it was a sign of "This is a Congress that operates in spurts and it's sputtering today as its members bead home for yet another extended weekend," said Congressman Lloyd Doggett.

Meanwhile. Republican congressional leaders and adminis-

tration officials are signalling a deal on separate legislation to renew the government's bor-rowing authority into next

Mr Newt Gingrich, House speaker, and Mr Bob Doie, the Senate majority leader, decided on Wednesday to abandon plans to use a debt-extension bill to carve big savings from the Medicaid health programme and welfare. The Republicans' retreat

that there is little chance of enacting big parts of their bndget-balancing agenda this year.

### **NEWS:** INTERNATIONAL

# Clinton in show of support for Israel, peace and Peres

yesterday pledged \$100m as must say to (terrorists): You killed nearly 60 people in part of an anti-terrorism pact with Israel in a show of support for Mr Shimon Peres, the embattled prime minister.

Mr Clinton, on his third visit to Israel in 19 months, said Israel and the US would negotiate an agreement to combat terrorism which would include measures to cut foreign funding of terrorist groups and

share intelligence information. "I am taking this step because I'm determined that we must have every tool at our disposal to fight against paign to punish the families of one-day visit to Israel yester-

By David Gardner in Cairo

his week's Middle East

summit in Sharm el-

Sheikh, Egypt, is likely

to diminish toleration within

the region for terrorism and

has revived hope in the Middle

East peace process, badly dam-

aged by the recent suicide

The summit's emphasis on

intelligence-sharing, and declared intention to pick

apart international fund-rais-

ing networks which support

terrorism, should also make

life more difficult for move-

ments like Hamas, the Pales-

tinian Islamists behind the

attempt to define terrorism, and it steered clear of the issue

of Islamic fundamentalism and

any attempt to distinguish

between its armed and political

variants. Its prime aim was to

salvage the 1993 Oslo accords

on Palestinian self-government

in the Israeli-occupied West

Bank, and to resuscitate talks

But the summit avoided any

bombings in Israel.

will be tracked down. You will

be rooted out." Suicide bomb attacks by the extremist Hamas Islamist movement have struck a beavy blow against Israeli-Palestinian peace and dented the electoral chances of Mr Peres, who called early elections on May 29 on a platform of making

peace with Arabs. In the West Bank, Israell troops blew up the home of an assassinated Hamas master bombmaker as part of its cam-

By Julian Ozanne in Jerusalem extremist terror," Mr Clinton Islamist extremists and said it day Mr Clinton made a series would expel activists linked to of gestures designed to demon-Israel.

> ued to press Mr Clinton to persuade Israel to reopen borders with the West Bank and Gaza. Strip because of the harm to the Palestinian economy. Mr Peres yesterday defended the border closure saying: "We

rity measure and nothing

Powerful show of unity papers

over the anti-terrorism cracks

US President Bill Clinton whatever time it takes, we suicide bombings that have strate solidarity with Israel, vesterday bledged \$100m as must say to (terrorists). You killed nearly 60 people in with Mr Peres and with the Palestinian officials contin-

> Israeli commentators said Mr are trying very bard not to create any starvation or any suffering... This is clearly a secutoral chances.

Throughout his whirlwind

victims of Islamist terrorism. He joined a ministerial security inner cabinet meeting, the first foreign bead of state to do so. Later be paid his respects at the graves of two people killed in recent attacks.

Clinton's visit provided an emotional boost for the country and helped Mr Peres' elec-It also marked an end to

Washington's long-beld policy of even handedness in the

# Mugabe to win one-horse race

Tony Hawkins on the president's campaign promises - and threats

President Robert Mugabe will win a crushing, if bollow, victory at this weekend's Zimbabwe presidential election. With neither of his two origi-nal opponents mounting anything remotely like an active end Ndabaningi Sithole pulling out four days before the vote, it is a classic one-horse race. The 72-year-old Mr Mugabe, who has ruled Zimbabwe since

Independence 16 years ago, was opposed by two other septuagenarians, retired Bishop Abel Muzorewa and Mr Sithole, nelther of whom is a serious contender for office.

Mr Muzorewa, who served as prime minister of the ill-fated Zimbabwe-Rhodesia transitional government at the end of the 1970s, is unabla to shake off his previous links with Mr Ian Smith, former Rhodesian prime minister, while Mr Sithole is awaiting trial on charges of plotting to assassinate the president Earlier this week Mr Sitbole announced his withdrawal from the election, claiming be had obtained a copy of a secret Central Intelligenca Organisation (CIO) plan to "destabilise" his campaign.

Mr Sithole's withdrawal is a non-event. Neither opposition candidate had tha resources. party organisation or support base to mount a credible challenge to the ruling Zanu-PF party. Consequently, the main interest in the poll will focus on the voter turnout. With just under 4m people eligible to vote, the president needs a turnout of at least 60 per cent to even begin to offset the impression of widespread apathy created by tha campaign.

The absence of foreign monitors is likely to mean that official turnout figures will be greeted with considerable scepticism internationally. Naverthelesa, the ruling party is relieved that the ramshackle opposition managed to

unopposed would have been a severe embarrassment.
The campaign - to the extent that there is one - has done little for the image of multi-party democracy in Africa while positively damaging the business and investmant climate. Mr Mugabe's rally speeches are a mixture of promises and threats - promises to spend as if there were



President Mugabe with supporters at a rally in the Harare suburb of Highfields yesterday

ment will pay for improve-

ments in housing, tobacco

Mr Mugabe's focus on such

issues is understandable. Six-

barns and irrigation.

no tomorrow on schools, clinics, bousing and jobs, but above all promises to provide the country's 11m blacks with more rural land, by redistributing white-owned farmland. The threats have largely

been directed at the sections of the remaining 100,000 whites living in Zimbabwe - warnings to commercial farmers, industrialists (on several occasions described as "crooks") the banks (accused of profiteering by charging interest rates pegged to the Treasury bill rate set by the authorities). international companies for failing to promote black managers and the white community as a whole for blocking the progress of black business. The main thames have been indigenisation of the economy and land resettlement.

At the start of the campaign, the president said that if Britain failed to provide the funds for the government to

GDP, per capita (\$)

buy white-owned farmland for resettling blacks, the government would "acquire it for free". In recent rally speeches be has repeatedly promised to last week. speed up land acquisition only 72,000 families have been resettled against a target for the 1980-1985 period of 162,000 while promising the govern-

teen years after independence. unemployment has more than trebled from less than 10 per cent to more than 30 per cent of the workforce; average real wages are little different today from their levels of the mid-1960s. Per capita incomes are lower than they were when he became prime minister. The budget last year was in deficit by 13.7 per cent of gross domes-tic product. Public sector debt exceeds GDP, and interest payments account for 30 per cent of total budget spending, while industrial output last year was the same as in the mid-1980s.

Running for a third six-year term with this record of economic failure, the president's persistent drumbeat of criticism of the white and foreigndominated private sector is no surprise. The 25,000 or so economically active whites are cast as the villains of the piece. Indigenisation and especially land redistribution are the

Mugabe is doing all this to woo voters'. Just wait and see what will happen after that elections," he said at a rally

Many in the business, farming and diplomatic communities dismiss the president'a rhetoric, arguing that, once a new finance minister is appointed, the cabinet will of structural adjustment to replace the programme that ended last year with first the IMF, and then other donors. suspending disbursements. Crucial to a new agreement

is the restoration of macroeco-nomic stability, bringing down inflation from 22.6 per cent last year (and 28 per cent in January), halving the budget defi-cit, launching a meaningful privatisation programme and restructuring the public aervice. The conflicts between these goals and those espoused by Mr Mugabe on the stump could hardly be greater. If the president is serious

about implementing his programme, then it is going to be very difficult indeed - many would say impossible - to regain the IMF's confidence. The first ontright expropriation of a farm would put paid to the country's foreign investment drive, while Mr Mugabe's bostility to privatisation, his commitment to "indigenise" the economy and his pledge to increase substantially, rather than curb, public spending This time it is going to be highlight the chasm separating different, the president says. I economic pragmatism from

between Israel and Syria. While this has been widely welcomed, there is already concern that the anti-terror drive will blur the distinction between terrorism and dissent. This could license authoritarian Arab regimes to suppress political opposition in the from Iran, and is tolerated by attended the summit, while ref-

especially if it is Islamist, thereby fomenting more terrorism. For Mr Yassir Arafat's fragile Palestinian Authority. there is also the real fear that Israel's security blockade of his self-rule areas will rally Pales-

tinians to the Hamas banner. The difficulties of the strategy are well illustrated by Hamas and by Hizbollah, the Shia fundamentalist militia fighting Israell occupation of southern Lebanon.

Hamas is a mass movement which has commanded up to a third of Palestinian support in the territories. It is an offsboot of the pan-Islamic Moslem Brotherbood, with a network of schools, universities, clinics and charities funded mostly by donations in the territories and from Arabs in the US, Europe. Jordan and the Gulf.

Its political wing appears unable to cootrol the activities of its military cells. The strategy evolved at the summit licenses a pitiless crackdown on the latter, while intending to frighten Hamas political leaders into doing more to rein them in.

Hamas fears that it could iose its solid social and political network.

Hizbollah is different in that it gets substantial funding stop there. Sandi Arabia

Syria, which has nearly 40,000 troops in Lebanon. Hizbollah started with terror tactics like kidnappings and suicide bomb-ings, but reinvented itself as a welfare network and guerrilla resistance to Israel's "security zone" in south Lebanon, winning support across Lebanon's sectarian communities. Both Syria and Lebanon are

seeking land-for-peace deals with Israel but in the meantime, regard resistance to occupation as legitimate. Both countries boycotted the summit, where Syria - unlike Iran - got an easy ride. Damascus bosts 10 secular and Islamist rejectionist groups. Yet President Clinton preferred yester-day to refer to Syria's "very considerable capacity" to contribute to regional stability.

Syria, despite its peace negotiations with Israel, remains on Washington's list of states sponsoring terrorism, along with Iran, Sudan, Libya and Iraq. But Syria is vital to the success of regional peace: to force Hizbollah to stick to politics if Israel withdraws from Lebanon, and rein in Palestinian radicals if Israel returns the Golan Heights.

The summit blur over what

constitutes terrorism does not

using "normal" relations with Israel. The Kingdom has long supported the Moslem Brother hood, regarded by Egypt, for instance, where it is the main opposition, as a cover for terrorism. Yet the Saudis fear the deep fundamentalist undercur-rents in their kingdom, Iranian meddling in their oil-rich Shia eastern province and in Bahrain, and depend on Syria to mediate with Iran. Or take Jordan, a staunch

western ally. Mr Arafat complained to Mr Clinton that be was close to a ceasefire deal with Hamas before Christmas but opposition from Hamas political leaders in Jordan scuppered it. These leaders are under the wing of the Brotherhood's Islamic Action Front. Jordan's main opposition, which King Hussein brought into parliament to enhance the country's stability.

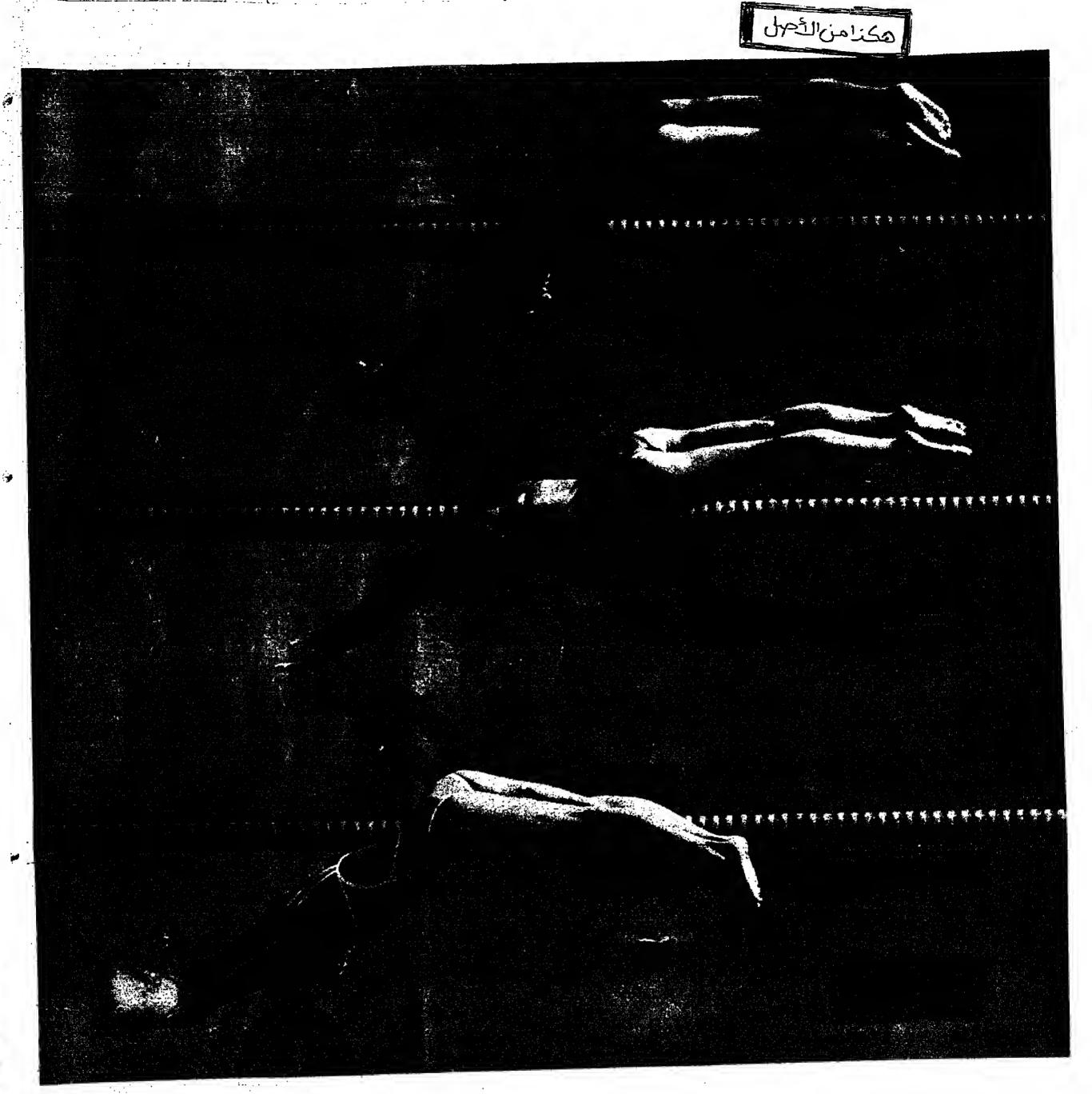
The gamble is that measures find candidates, since for Mr that evolve from Sbarm el-Mugabe to have been returned Sbeikh will hem in Hamas. Nobody wanted to spoil this impression. But more than a few would admit that this approach papered over big gaps on how to respond to tha various strains of Islamic fundamentalism, and that avoiding the complex politics of the region to concentrate on security was an unlikely cure for

despi

FRIDAY MARCH

passes U

rse race



# Opportunities come and go in a fraction of a second. Get ahead of the field.

Global expertise is undeniably one of HSBC Asset Management's greatest assets.

But it's our local cover that gives us the edge. This means that although our clients are serviced from the office nearest to their own, their assets are allocated to the office

closest to the markets in which they will be invested. From this position, our local fund managers develop a keen understanding of local companies and market conditions. So that when an opportunity does present itself, they don't miss it. And neither do you



WORLD CLASS PERFORMERS

NEW YORK (+1) 212 503 6815. LONDON (+44) 171 955 5050. HONG KONG (+852) 2801 0111. SINGAPORE (+55) 530 2828. TOKYO (+81) 3 3433 4200 MELBOURNE (+61) 3 9619 9800.

ISSUED IN THE UK BY HSBC ASSET MANAGEMENT EUROPE LIMITED. PEGULATED BY IMPO.

### **NEWS: WORLD TRADE**

# GM picks Poland for \$340m plant

By Kevin Done, East Europe Correspondent

General Motors, the world's biggest vehicle maker, yester-day signed a letter of intent with the Polish government to build a DM500m (\$340m) car plant in southern Poland.

The project will be the big-gest greenfield site investment made by the motor industry in central Europe (with the exception of eastern Germany) since the collapse of communism.

The GM plant will be at Gliwice, near Katowice, in the industrial region of Upper Sile-

It will have an initial capacity of 70,000-100,000 cars a year and production is planned to begin in 1998.

The plant will employ about 2,000. It has been welcomed by the Polisb government as a source of new jobs in a region undergoing restructuring from mining and heavy industrial

The deal was signed by Mr Klemens Scierski, Polish minis-ter for industry and trade, Mr David Herman, chairman and managing director of Adam Opel, GM's biggest European subsidiary, and Mr Eugeniusz Ciszak, governor of Katowice

Mr Herman said the group would receive all the financial incentives of a special eco-nomic zone under Polish law. These included a corporation tax holiday of up to 15 years, duty-free imports of machinery and equipment, and duty-free

GM is negotiating purchase terms for the 70-heriare site, owned by the local authority, as well as the development of local infrastructure and services including rail connec-

Several international components suppliers are also expected to establish facilities close to the plant.

GM bas chosen a location that is becoming an important centre for the motor industry. with Fiat plants in nearby Tychy and Bielsko Biala, and a growing network of components suppliers in southern Poland and neighbouring regions of northern Slovakia and the Czecb Republic.

Mr Herman sald that the project would also support the development of the Polish sup-

The US carmaker has estab-lished a central European purchasing office in Warsaw, with the aim of increasing purchases of local components and materials to DM1.5bn a year in the next few years.

The plant will make a lowcost family car based on the Opel/Vauxhall Astra, for sale mainly in central and eastern Europe. Between 60 and 70 per cent of output would be sold in

"This plant gives us the chance to create an affordable car for sale in transition markets. It will not have all the content of a west European car; that would be too expen sive," said Mr Herman.

# Investors troubled by Suharto's erratic moves

Manuela Saragosa reports on growing resentment over the Indonesian president's inconsistency

might read: "How to scare off foreign investors".

A flurry of policy decisions have led many investors to wonder what has happened to Indonesia's commitments to economic deregulation and free trade, and left them trying to second-guess President Suharto - highlighting the risks in a country where almost all decisions are approved by one man.

In January, the governor of Bali allowed President Suharto's grandson to collect a tax on beer bottles on the popular tourist resort, prompting an outcry from Indonesian brewers, one of which works in association with Heineken of the Netherlands and another with San Miguel of the Philip-

That tax was quickly scrapped on presidential instruction, but confidence in the Indonesian husiness environment was undermined again when the government backtracked on promises that Chandra Asri, a \$1.9hn petrochemical plant, whose share-holders include President Suharto's second son Mr Bambang Trihatmodjo, would not

The government quietly introduced 25 per cent import tariffs on propylene and ethylene in a mova which raises raw material prices for Tri Polyta, an Indonesian resin maker listed on the New York Stock Exchange and Peni, a polyetbylene manufacturer partly owned hy British Petro-leum and Mr Sigit Harjojudanto, President Suharto's

receive tariff protection.

In addition, at the end of February, a presidential decree was passed exempting Mr

n epigram of the last two months of policymaking in Indonesia from a sales tax and tariffs on car components to develop what is being touted as a

"national" car. The car, which is being developed with technical assistance from South Korea's Kia Motors, qualifies under the "pioneer" national car scheme because it bears an Indonesian name and will be manufactured at wholly Indonesianowned plants.

The decree drew a mixed response from analysts - some felt the measures would be beneficial to Indonesian consumers, who pay some of the world's highest prices for their cars, but others saw it as a blow to Japanese investors who dominate the Indonesian car market.

Billions of dollars of Japanese investment in the motor sector could be cancelled.

Industry analysts say the US government is also reviewing policy. Although Indonesia is not obliged to deregulate its car market under its World Trade Organisation commitments, analysts say the tax incentives for the "national" car scheme are effectively subsidias which discriminate against capital according to its

Japan is the largest single investor in Indonesia with investments totalling \$19.4bn. The US ranked as the fourth largest investor with commitments of \$10.7bn.

Japanese car manufacturers.

including Toyota, Daihatsu. Suzuki and Mitsnbishi, have invested heavily in Indonesian plants over the past decade to meet local content requirements under an incentive scheme that provides tariff relief for producers who use Indonesian-made parts.



Subarto: rarely explains decisions

While these latest decisions may not detract from significant progress made in wider economic deregulation, the signals are damaging, according to a Jakarta-based economist "These decisions show that the course of industrial policy is erratic. When changes are made without proper explana-tion and so suddenly, it gives

the wrong signals to husin Not that there is anything new about political clout sway-ing policy decisions in Indonesia - in 1991 for example one of President Suharto's sons established an effective monopoly on the clove market. What has raised eyebrows, however, is that these latest decisions have come in rapid succession and at a time when Indonesia has liberalised foreign invest-ment restrictions to compete

with neighbouring countries. Fathoming President Suharto's rationale is a purely academic pastime. The president

rarely explains his decisions, preferring to speak through ministers and senior officials.

In the case of the import surcharges on propylene and ethylene, the decisions were not announced at the time, but emerged later, through word of mouth. Economists also note these

recent reversals in industrial policy come at a time when the trade and industry ministries were fused ostensibly to make the policy-making process more efficient. Yet, "there appears to be a total lack of policy uniformity," says a research director at a foreign securities firm in Indonesia.

The "national" car pro-

gramme, for example, will require increased imports of car components at a time when the government has expressed concern about its growing current account deficit. The deficit is running at \$7.9bn in 1995-96, sbout 3.8 per cent of gross

Indonesia has established a team of lawyers to study World Trade Organisation (WTO) rules in anticipation of complaints from Japanese carmakers over Indonesia's

new car manufacturing policy, writes Manuela Saragosa Last week Japan's Ministry of International Trade and Industry indicated that it was studying whether the Indonesian reforms conflict with its WTO obligations.

Indonesian Industry and Trade Minister Tungky Ariwibowo said the government had prepared a team of lawyers to "intensively" study WTO

Mr Ariwibowo is also expected to meet the Japanese ambassador to discuss the

domestic product

Despite protests from Japan which also ranks as one of Indonesia's largest creditor. countries - hopes that the car reform package may be watered down, if not reversed, are weakened by tha fact that it was signed by the president himself who stands to lose face. if he backtracks.

Equally disturbing is the sig-nal that political intrigue appears to be playing itself out in the economic arena. Peni, a large ethylene importer partly owned by President Suharto'a eldest son, is still in the process of negotiating a contract with Cbandra Asri, partly owned by President Suharto's second son, to purchase ethylene. The two parties have been unabla to agree on a pricing

structure. The ethylene import surcharge, which only applies to polyethylene manufacturers such as Peni, effectively forces the British Petroleum subsidiary to accept Chandra Asri's offer. Meanwhile, a number of other parties are queueing up to benefit from the pioneer

scheme for cars. Notable in all cases is that the likely beneficiaries of the scheme would not be ethnic Chinese businessmen, who are widely resented in indonesia for their wealth. To date the car market has been controlled by Japanese investors in jointventure arrangements with Indonesian companies con-trolled by ethnic Chinese busi-

There has been much resentment at the fact that Japanese manufacturers placed export restrictions on cars assembled in Indonesia and that little transfer of technology has taken place.

Tax and tariff exemptions to manufacture a "national" car are being sought by the Bakrie Group, a prominent conglomerate, by Mr Probosutedjo, a cousin of President Suharto, by the Bimantara Group, controlled by tha president's youngest son, and by BPPT, the state agency for technology and research, controlled by the

minister for research and tech-nology Mr Jusuf Habibie. The foreign manufacturers offering technical assistance to thase partias reportedly include an unnamed European car manufacturer. General Motors, South Korea'a Hyundai

and Land Rover of the UK.

The policies indicate that tha government's reformists, who include finance minister Mr Mar'le Muhammad, have been sidelined over the past two months. A senior official at the ministry of trade and industry said recently that "everybody in the reforming camp. is feel-ing very demoralised at the moment."

# Telephone manne From Fscotland catting

# neaven.

If you're thinking of setting-up a Call Centre, we'd like to make a polite suggestion. Consider Scotland first.

There's no place quite like it. As companies like Direct Line, BA, IBM, TSB, BSkvB and a host of others have already discovered.

Not only did they find that costs are amongst the lowest in Europe. Or that a state-of-the-art telecommunications system (including ISDN) guarantees both reliability and flexibility.

They also discovered what is Scotland's most important natural asset, its people.

Loyal, well-educated and well-used to flexible working. And familiar with all aspects of the Call Centre perform better. modern telebusiness

advantage when talking on the telephone. You see, all the evidence is that people enjoy

What's more, they have one unique built-in

speaking to Scots. ("Warm, friendly and honest", is a typical description, t

Perhaps it's their accent that does it. Or their helpful disposition. Fither way, the Scottish telephone manner

makes customers feel more comfortable.

It's the deciding factor that makes a Scottish

in fact, we think it's important enough to let you hear the evidence on our free audio-tape, 'Scotland Calling'. Just call Locate in Scotland on the number below for your copy.

When it comes to a Scottish Call Centre, hearing is believing.

CALL LOCATE IN SCOTLAND

0500 666 123

Locate in Scotland, 17/19 Cockspur Street, London SW1Y 58L. Tel: (+44) 171 839 2117/8, Fax: (+44) 171 839 2975.

### WORLD TRADE NEWS DIGEST

# Nissan to make cars in Vietnam

Nissan, Japan's second largest carmaker, has applied for approval to manufacture vehicles through a joint venture in Vietnam. Nissan hopes to build a car and pick-up truck with a Vietnamese manufacturer in Danang to meet expected growth in demand in the country. The venture will be 25 per cent owned by Danang Automobile Mechanical Factory and 75 per cent by Nissan TCM, an investment company formed by Nissan, Tan Chong & Sons Motor, a Malaysian vehicle maker,

and Marubeni, the Japanese trading company,
Manufacturing is expected to start in 1993, with production
of 1,000 units in the first year. The Vietnamese market is forecast to grow from more than 10,000 cars a year to about 60,000 by the year 2000 and 80,000 by 2005. Nissan bopes that, by 2000, its factory will produce 3,000 units a year.

Mitsubishi said yesterday it would start making the Pajero, an off-road vehicle, at its Vietnamese factory to compensate for reduced production of minibuses, trucks and the small passenger cars developed with Proton, its Malaysian joint

Mitsubishi has been manufacturing in Vietnam since last spring but has faced severe competition from lower-priced vehicles from South Korea. Michayo Nokamoto, Tokyo

Samsung Motors eyes Europe Samsung Motors, the new South Korean car company, has established a European headquarters in Frankfurt and may eventually build factories in Europe. However, any large industrial investments by Samsung Motors in Europe are not expected until after the year 2000 since it has not yet produced its first car. Samsung is building its first car plant at Pusan. South Korea, to begin production in 1998 and make 500,000

medium-sized saloons a year by 2000. Europe is expected to be a main export market for Samsung as for other Korean carmakers. In gaining state approval in 1994 for its car project, Samsung promised the Korean government to export 55 per cent of its production up to 2002 to avoid disrupting the sluggish domestic market and causing losses for its competitors, which include Hyundai, Kia and Dae woo. Some analysts have expressed scepticism about Samsung's ability to enter overseas markets quickly since the

manufacturing. Samsung is acquiring its automotive technology from Nissan of Japan. It is also recruiting at least 200 engineers from Nissan because of a shortage of qualified automotive engineers in Korea.

industrial group has little experience in vehicle

### Burger King to expand in Japan Grand Metropolitan, the UK food and drinks group whose brands include Smirnoff vodka and Häagen-Dazs ice-cream, is

aiming to have 100 of its Burger King restaurants in and around Tokyo by 2000. GrandMet, which already has 20 Burger King outlets in Japan, yesterday announced a \$5m joint venture with Japan Tobacco. Under the deal the Japanese partner is to convert 40 of a chain of restaurants known as Morinaga Love to Burger King over the next 18 mouths. The Tokyo outlets will be used as a base for further expansion across Japan. Burger King has 8,200 outlets worldwida, and sales of \$5.3bn (\$8bn) last year. David Blackwell, Low David Blackwell, London

### Central America fund launched

Britain's Commonwealth Development Corporation has launched what it said was the first venture capital fund for Central America. The \$22m fund will invest between \$250,000 and \$3m in small and medium-sized businesses in sectors including agriculture, tourism, manufacturing, power and services. Investments are possible in all seven Central American countries. CDC will contribute up to half of the funds with the rest coming from the InterAmerican Investment Corporation, Sweden's Swedfund and five local private sector institutions. Management of the fund will be provided by a separate company. CDC, a development finance organisation no longer funded by the British government, has \$250m of investments in Central America out of a \$2.2bn Stephen Fidler, Latin America Editor

■ Britain'a Export Credits Guarantee Department has extended its first buyer credit guarantee for Brazil since resuming cover in September. It has underwritten a \$25.7m. loan, arranged by Lloyds Bank, for the Brazilian company Schahin Cury. It is to help finance an order to a consortium led by Cable and Wireless for a fibre optic submarine cable system between Rio de Janeiro and Fortaleza. Stephen Fidler

## Beijing hints at US aircraft order

Aerospace Correspondent in London and Nancy Dunne in Washington

Aircraft manufacturers reacted cardiously yesterday to news that China might be prepared to award aircraft orders to US companies if Washington agreed to delay sanctions in a software trade dispute

Manufacturers' wariness stems from their experience of China's practice of telling rival manufacturers they are likely to receive aircraft orders. Mr Li Peng Chinese prime minister, is believed to have told Mr Jacques Santer, European Commission president; earlier this year that China would order aircraft worth Ecu300m (\$384m) from Airbus Industrie, the European manufacturing

consortium. Mr Li also told Mr Hervé de Charette, French foreign minis-ter, China, would place an order for between 30 and 40

Airbus A310s and six A340s Airbus said yesterday it did not think that a decision by China to purchase aircraft from Boeing and McDonnell Douglas of the US would mean the European consortium would be kept out of the Chinese markat. "The Chinese market is growing fast enough to accommodate all three aircraft manufacturers," Airhus

Boeing said the most recenf news of China's interest left it feeling cautiously optimistic. The company said: "We've been talking with these people for quite a long time about what their next round of aircraft orders might entail. We haven't heard anything directly but it is encouraging. US officials, who have been compiling a list of potential sanctions for China's failure to honour a hilateral pact on intellectual property rights, declinad to comment on reports that Beijing is offering to complete orders for commer-cial jets if the US delays an

imposition of sanctions. Both sides were also continuing to review the venua and shape of future meetings as the US presses for a tougher crackdown on software, compact disc and video piracy.

Mr Mickey Kantor, US trade representative, bas stressed the need for greater progress on market access in China. One US option, if no agreement is reached, would be to cite China under the so-called "Super 301" list of US trade law, a mechanism which aims to open the markets of "unfair traders" through talks, threats

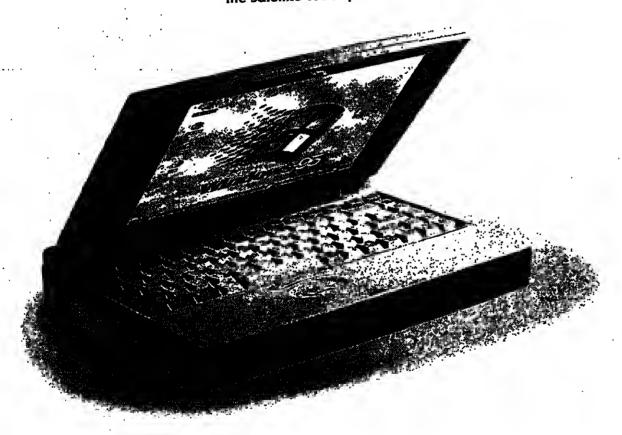
and sanctions. Singling ont China could go some way towards mollifying a Congress where sentiment has been building against renewing China's Most Favoured Nation trade status.

# Popular Movement.

1946 A car that just about everyone can afford goes into production: the



1996 A truly affordable notebook with Pentium<sup>3</sup> processor goes into production: the Satellite 100CS from Toshiba.



Independence. Mobility. Freedom. That's what the VW Beetle epitomised. It brought the dream of owning a car within everyone's reach.

Now there's a new peopentium ple's champion. The new Satellite 100CS brings the power of a Pentium processor into everyone's reach, giving new meaning to freedom, mobility and independence,

It's not only unbelievable value, it's also pure technology: low-voltage Pentium® processor, 8 MB EDO RAM, 520 Million Byte hard disk and 10.4-inch colour screen. The power supply has been integrated to eliminate additional bulky baggage. There's also the choice of Windows® 95 or Windows for Workgroups – free, But there's never any choice when it comes to reliability. Like the TALLI STAND 61.2 HALLI STAND 61.2

So what are you waiting for: head off to your nearest Toshiba dealer. You've got the wheels, now you need a Satellite.

The logos Intel Inside and Pentium Processor are registered trademarks of Intel Corporation.

In Touch with Tomorrow

TOSHIBA

Toshiba Europe GmbH, PC Division, Hammfelddamm 8 41460 Neuss - Germany, Fax: +49 (0) 2131 158 558

Beijing hints at US aircraft order

RICKAN MARCHA

: moves

meistener

Maria de la Compania del Compania de la Compania de la Compania del Compania de la Compania del Compania de la Compania de la Compania de la Compania del Compania de la Co

# militants offer to negotiate

Fuur leading Kasbmiri militants will meet an Indian government minister in New Delhi today for talks aimed at ending the armed insurgency in the Kashmir valley - the first time since the movement was started in 1989 that separatists have offered to negotiate without insisting on Pakistan's involvement.

If the talks announced yesterday with Mr SB Chavan, home minister, prove successful, they may pave the way for elections in the state to replace rula by the central authorities.

The offer is a boost for the government of Mr PV Narasimha Rao only weeks away from a general election. "The prime minister solved the Punjab crisis during his tenure, and if he brings peace to Kashmir be will have a strong chance to return to power," an opposition MP said last night. The Indian anthorities

acknowledge, however, that the talks may be slow. The fonr leaders have heen expelled from their militant groups after they announced in February that they were giving np their weapons. But bome ministry officials point out that the rebel leaders still have considerable influence.

The decision of these former hardcore militants to come to talks only reflects the larger will of the Kasbmiri people who are tired of the fighting, and will do anything for peace," said one. The leaders have wrested

the peace initiative from the All-Party Hurriyat Conference, a political organisation made np of several militant gronps. The Hurriyat has maintained that any talks with New Delhi would have to include Pakistan, the third party involved in the dispute, but India has rejected the condition.

Pakistan has denounced the talks with the four - Mr Babar Badar, Mr Imran Rahi, Mr Bilal Lodbi and Mr Ghulam Mohinddin Lone - saying the "renegades" have no right to discuss the future of Kashmir. US military presence in Asia

Kashmiri | Mondale warns Beijing against military miscalculation

# US firm over Taiwan defence in Japan HIV scandal

Mr Walter Mondale, US ambassador to Japan, yesterday warned China not to miscalculate in military exercises off the coast of Taiwan and described its missile tests there as "reckless and provocative." He told the Chinese government to be in "no doubt" that Washington would, after consulting Congress, apply the Taiwan Relations Act which obliges the US government to supply the island with enough weapons to defend itself. The Act commits the US to "appropriate action" if Taiwan is

threatened by force. Mr Mondale stressed in Tokyo speech that "we are not on the brink of war" but pointed out that the recent dispatch of two US aircraft carrier groups was designed to "underline our interests and make sure there is no miscalculation." Despite the tests, the US continued to pursue its "active engagement" of drawing China more into the international

community, he added. The ambassador's remarks are intended to clarify the US response to China's military trials, criticised in Congress as ambivalent, said US officials. They are likely to be noted with great interest by the Taiwanese government, which ordered a US Patriot missile defence system last year and is awaiting delivery.

Equally, yesterday's clarifi-cation will be noted by the Jap-anese government, which earlier this week urged Beijing to sbow restraint, marking a new bluntness in a relationship normally handled with acute circumspection by Tokyo. Japan has close emotional ties with Taiwan, a Japanese colony for 51 years until 1946. The US was consolting Japan closely on the tensions between China and Taiwan, said Mr Mondale.

The first US carrier, Independence, was sent to the region last Friday, when China fired three missiles in test areas close to Taiwan. The second. Nimitz, was ordered to the region when China escalated the tests, by announcing naval and air trials with live ammu-

Mr Mondale stressed that the

Taiwan's President Lee Teng-hui (right) yesterday visited Penghu (the Pescadores), an island archipelago in the Taiwan Strait near the zone where China is conducting military exercises, declaring "no one is scared" by the military manoenvres intended to frighten Taipei into abandoning a campaign for greater international recognition, writes Laura

Tyson in Taipei.

A week before Taiwan's first democratic presidential elections, which are widely expected to return the president to office for another four years, Mr Lee campaigned just 43 miles away from where Chinese jet fighters and

warships fired live missiles and staged bombing runs. Mr Lee taunted his adversaries in Beijing, saying: "Freedom and democracy is the international trend. As for those dictatorial communist countries, people dislike them most because their people do not have human rights."

Mr Lee appears to be upping the ante in an increasing game walk out into the world. The Republic of China [Taiwan's official name] cannot be stuck here," he said, effectively quashing a suggestion this week by Mr Qian Qichen. China's foreign minister, that Taiwan drop efforts to join the United Nations. Fearing Taiwanes

usinessmen may reconsider their mainland activities, anthorities in the adjacent Fujian province of China promised protection for their investments. Taiwan share prices rose for the second consecutive day,

closing up 2.1 per cent, partly as a result of government inspired support huying. depended on a substantial presence in Japan and said the US-Japan security alliance was

vital to the security of both

countries and ensures the stability of east Asia."
US President Bill Clinton and Mr Ryutaro Hashimoto, Japan's prime minister, would reaffirm the crucial nature of the alliance at their summit in



Tokyo next month and hoped to announce "important steps" towards cousolidating the bases in Okinawa, in response to local objections, said Mr Mondale.

Of the 47,000 US troops in Japan, 28,000 are stationed on tha island, which has long felt that it bas had to bear more

den. Antipathy flared up last antumn when a local school-girl was raped by three US ser-vicemen. A joint US-Japan panel is examining ways to make the US presence on the island less intrusive, but the US has no plans for force reductions on Okinawa, seen as vital to projecting US force

# Companies apologise

Kneeling on the company linoleum, heads lowered to the floor in contrition, six top execntives of Green Cross yesterday offered the apologies of Japan's leading blood products maker to haemophiliacs who contracted the HIV virus through untreated clotting agents it supplied in the mid-

Mr Takehiko Kawano, its president, led the televised manifestation of remorse, a kowtow rarely performed publicly in modern Japan. It had been demanded by those infected through its products who were present at the com-pany's Osaka beadquarters to hear Green Cross formally acknowledge its role in the scandal, as part of a settlement to be announced by the govern-

"We accept our responsibility," said Mr Kawano.

The company was one of five pharmaceutical producers to and apology yesterday after a sevan-year court hattle. Untreated blood clotting agents were prescribed to

haemophiliacs long after it was known that these carried the risk of infection with the HIV virus which leads to Alds.

A compromise agreement at the instigation of Mr Naoto Kan, the new health and welfare minister, comes after the district courts in Tokyo and Osaka this month called for those infected to be paid compensation.

The courts proposed that each plaintiff be given a Y45m. (£279,000) lump sum, with an additional monthly payment of Y150,000 for those who have contracted full-blown Aids.

The courts suggested that the government should shoul-der 40 per cent of the financial burden while the companies -Green Cross, the Japanese arms of Baxter of the US and Bayer of Germany, and the local Chemo Sero Therapeutic Research Institute and Nippon Zoki Pharmaceutical - bear the remainder.

An estimated 2,000 haamophiliacs contracted the HIV virus in Japan through untreated clotting agents, of whom 400 joined the lawsuits. Whether compensation will

The announcements are likely to ease public anger, which heightened earlier this year after the government apologised and disclosed documents indicating officials' knowledge of the risks in using untreated blood products as

early as 1983. Although the courts have advised the companies to divide the compensation burden according to their market share at the time, they have yet to agree on how this is to be calculated – such as by volume or value.

Mr Bob Hurley, president of Baxter, said the company held a 12.5 per cent market share although a company statement did not specify by which measure. Mr Wolfgang Plischke, president of Bayer Yakuhin, the local offshoot of the German multinational, said there were legal and technical matters which needed further dis-cussion. Green Cross, acknowledged to have been the market leader, declined to reveal its figures although Mr Kawano said the company would remain in the red for several

# Howard stresses Asia with Mahathir meeting

By Nikki Tait in Sydney

Mr John Howard, Australia's new prime minister, bas moved swiftly to quash the impression that his governthe Asian region than the pre-vious Labor administration, hy securing a meeting in Brisbane later this month with Dr Mahathir Mohamad, his Malaysian counterpart.

The meeting on March 29 is heing described as informal and will be added to the Malaysian prime minister's trip to New Zealand earlier that week. However, the Malaysian leader will also stop over in Darwin, en route to New Zealand on March 25, where he

Downer, the new foreign minister. Dr Mahathir last visited Australia in 1983. Mr Howard said that he

will meet Mr Alexandar

expected to hold "broad-ranging discussion about our bilateral relationship and other regional and global issues of mntual interest". He added that the earlier meeting with Mr Downer "indicates the importance my government attaches to Australia's relationship with Malaysia, and the attention that Mr Downer intends to give to the enhance-ment of that relationship".

Relations between the Labor government and Malaysia were sometimes sticky - the last the formar prime minister, described Dr Mahathir as recalcitrant" for not attending an Asia-Pacific Economic Co-operation forum meeting.

Over tha past couple of years, matters have moved on to a surer footing, and last year Mr Keating paid the first official visit to Malaysia by an Australian prime minister

Nevertheless. Malaysia's opposition to Australia and ew Zealand being considered part of Asia meant they were excluded from the Asia European Union summit in Bangkok this month - a stance which Dr Mahathir has

# FINANCIAL TIMES Conferences

# Forthcoming FT Conferences in 1996

World Steel Industry, 21 & 22 March, London Multimedia: Who will be the winners? 22 & 23 March, Seoul World Pharmaceuticals, 25 & 26 March, London FT-City Course, 22 April - 10 June, London World Aluminium, 17 & 18 June, London World Gold, 24 & 25 June, Venice

World Aerospace & Air Transport, 29 & 30 August, London The Petrochemical Industry, 21 & 22 November, London World Electricity, November, London World Telecommunications, 2 & 3 December, London Venture Forum Europe '96, 5 & 6 December, London World Pulp & Paper, December, London

For further information about these important events, contact:

FT Conferences, Maple House, 149 Tottenham Court Road, London W1P 9LL Tel: (+44) 171 896 2626 Fax: (+44) 171 896 2696

### ASIA-PACIFIC NEWS DIGEST

# Irian Jaya mine resumes work

Freeport indonesia, the Indonesian unit of the US mining company Freeport McMoRan Copper & Gold, resumed normal production rates yesterday at its Grasberg mine in Irian Jaya following a three-day shutdown because of rioting in the area The company said it did not expect "any significant financial impact from the temporary shutdown", noting that damage to its facilities "consisted mainly of broken windows and similar

Freeport said the Grasberg mill was working at capacity again and noted that copper concentrate loading from the local port had continued throughout the shutdown.

Tribespeople have stopped rioting in the town of
Tembagapura, where the Freeport mine is located, and the
lowlands areas around Timika after the Indonesian army deployed some 200 to 300 troops to patrol the area.

Discontent has focused on the perceived lack of benefits flowing to local communities from the mine, its social impact and environmental concerns. Manuela Saragosa, Jakarta

### Corporate spending rise

Capital spending by Japanese companies increased for the third successive quarter in the last three months of 1995, providing further evidence of the country's gradual economic recovery. Corporate investment rose 5.7 per cent compared with the same period a year earlier, according to a survey published yesterday by the ministry of finance, with the increase especially marked among manufacturers.

"The latest survey underscores the view that the Japanese economy is showing a moderate recovery trend," a ministry official said. Manufacturers increased their capital outlays by 7.4 per cent on a year earlier, with non-manufacturers recording a 5.0 per cent increase.

Meanwhile, a survey by the Japan Development Bank suggested that corporate spending plans for 1996 point to a continued recovery in investment. Private sector capital formation in the financial year beginning next month is expected to rise by 0.7 per cent, the second successive year of growth. The figure is lower than the current year's 5.7 per cent projected increase, but a bank official said tha forecast for the projected increase, but a name outline.

Description on the part of Gerard Baker, Tokyo

### China bank dealers charged

Two dealers in the Bank of China took bribes and racked up losses of \$175m (£114m) in illegal foreign exchange trades that went wrong, the Shanghai Securities News reported yesterday. The newspaper said the two employees in the foreign exchange department of the bank in the eastern province of Shandong had been charged with receiving bribes of \$120,000 each in return for making the trades.

An official of the Bank of China branch in the Shandong city

of Qingdao said the two named in the report, Mr Ding Mali and Mr Zhai Luguang, were formerly the head and deputy head of its foreign exchange department. She said the case was still under investigation and had not yet gone to court. Officials at the Beljing head office of the Bank of China, which is one of China's big four state-owned banks and the country's principal foreign exchange bank, declined to comment on the case.

South Korea released on bail a union leader adopted as a prisoner of conscience by Amnesty International. The Justice Ministry said "all legal proceedings will go ahead" against Mr Kwon Young-kil, head of the outlawed Korea Confederation of Trade Unions. Reuter, Seoul

■ Mr Takumi Ogawa, who as deputy mayor of Kobe was in charge of rebuilding the western Japanese city in the aftermath of the January 1995 earthquake, burned himself to death yesterday. Mr Ogawa, 64, killed himself using kerosene. Kyodo, Kobe

# Manila's reforms 'back on track'

By Edward Luce In Manila

The four-year economic reform process in the Philippines appeared to be back on track yesterday after nine months of political in fighting which had threatened to derail vital planks of the government's lib-

The pro-government coali-tion, which suffered heavy defections earlier this year because of the unpopularity of some of the reforms before Congress, yesterday said it had reached bicameral consensus on the basic elements of a hill to deregulate the oil industry. The oil bill, which had been held up because of disagree-ments on the level of protec-tion to be given to the fledgling downstream industry and fears of a popular backlash over scrapping petrol subsidies, is now expected to be enacted in

the next two months. Under the accord the crude oil tariff will be cut to 3 per cent from 10 per cent and refined oil and petrochemical products will face a 7 per cent tariff compared with 20 per cent. The bill will abolish an oil price buffer fund which subsidises domestic prices.

Other reforms which President Fidel Ramos yesterday said were back on course to be passed before the congresslonal session ended in June included liberalisation of the retail sector; opening up investment houses, such as mutual funds, to foreign ownprotection on the agricultural sector, and a move to end vote rigging in elections.

"We are very pleased to see that there is now a consensus on oil deregulation," said Mr. Reinier Willems, head of Shell Pilipmas, the local arm of the Anglo-Dutch company. "We are cantiously confident that by this time next year petrol prices will be set by the market and not subsidised by the government."

Deregulation of the oil industry and the introduction of a new tax system have been singled out by the International Monetary Fund as the most important reforms which remain to be implemented.

Last week the IMF concluded its quarterly review of the Philippine economy expressing cautious optimism about the progress of the Philippina



ARGEN

TERNATION

V/4.79

~~ · · · · · ·

3.2

مِن ن مِن ن خ

\*

of the contract of

s reforms

n track'

200

ROAW MARCH

# Labour eases stance on anti-terrorism law

By John Kampfner in London and John Murray Brown

The British parliament was set last night to renew emergency anti-terrorism legislation for a further year as the Labour party dropped its previous opposition to the Prevention of Terrorism Act.

Labour party business man-agers, who instructed their MPs to abstain in the vota, were hoping to contain a miniravolt by a small group of backbenchers with strong leanings towards Irish nationalism

Mr Michael Howard, home secretary, told the Commons that the end of the Irish Republican Army ceasefire and warnings of 25 years of terrorism ahead provided a "bleak backdrop to our debate".

He was speaking as Sir Patrick Mayhew, chief Northern Ireland minister in the British government, held talks in Dubin with Mr Dick Spring, the deputy prime minister of the Republic of Ireland. They discussed the latest round of meetings with the constitutional parties from Northern Ireland.

Sir Patrick had earlier reported to the UK cabinet on the 10 days of discussions with the parties that had apparently failed to narrow differences on a mechanism for elections to a forum which will delegate representatives to all-party talks.

Downing Street officials said Mr John Major, the prime minister, and other senior ministera would receive position papers from Sir Patrick over the weekend ahead of a final decision early next week on the election format.

The government appears likely to back proposals for Westminster-style constituencies set ont by the Ulster Unionists, the province's largest party.

Leaders of the main parties. including Mr David Trimble of the Ulster Unionists and Mr John Hume of the moderate nationalist Social Democratic and Labour party, are gathering in Washington for a White House St Patrick's Day reception to be hosted by President Bill Clinton tonight.

Mr Major told the Commons



Anthony Murphy of the British army's 1st Battalion, Royal Irish Regiment, delivers sprigs of traditional Irish shamrock marking St Patrick's day to soldiers manning checkpoints in Northern

world leaders had united during their conference in Egypt on Wednesday in their resolve to combat terrorism.

"The Prevention of Terror-

Labour's decision to abstain in the vote marked the first time since 1982 that the party had voted not to oppose the act, arguing that it threatened civil libertles. The government

British soldiers remember Ireland's patron saint: Sergeant Ireland near the border with the Irish Republic

· More than half of Northern Ireland households suffered a

ism Act has proved of indispensable value as part of our armoury against terrorism and it is vital that its powers are continued by this House," he

Mr Michael Howard, home secretary, said the powers to make exclusion orders - banning individuals from entering mainland Britain - had deterred terrorists from carrying out attacks. "The events of the last few weeks surely put the continuing need for the act beyond doubt," he added.

that he. Mr Clinton and other announced earlier this year that the act would be reviewed by a prominent judge.

> loss of income as a result of the last UK national Budget says a report published today. This is in sharp contrast to the government policy of targeting social needs in the region.

The report by the Northern Ireland Economic Council, an independent think tank, says the level of welfare dependence in Northern Ireland means that the decisions by Mr Kenneth Clarke, the chancellor of the exchequer, have a disproportionate impact on the local economy compared with the rest of the UK.

The analysis says that, compared with the rest of the UK. Northern Ireland incomes are lower, there are more unemployed households and families Schoolroom killer had been issued with certificates for six weapons

# Murders expose gun law loopholes

By Jimmy Burns and James Harding

Potential loopholes in UK firearms legislation have been exposed by the apparent ease with which Thomas Hamilton, the Dunblane mass killer. legally obtained the handguns with which he murdered his schoolroom victims, say senior police officers and other secu-

Superintendent Steve Read. a firearms commander with Hertfordshire police, said there needed to be much greater scrutiny by local officers of gun licence application forms, with additional psychological tests of potential gun OWNERS.

The secret lies in the depth of investigation that police forces are prepared to sponsor so that everything that needs to be known about an applicant is known," Supt Read added. "In practice inquiries can be very efficient or merely perfunctory."

Mr Terry Gander, editor of Jane's Infantry Weapons, said: "Generally speaking, the further north you go the more lib-

All through yesterday people trickled through the doors of of mourning and reflection in Dunblane cathedral, our Scottish Correspondent writes in Dunblane. A few knelt to pray hnt most sat quietly, contemplating in silence the horror of Wednesday's massacre at the "I think that on the surface primary school. Some people brought flowers. A great pro-

words: "So sorry. The human The 13th century Gothic cathedral is becoming a centre

fusion of early spring flowers,

mostly white, arrived from an

anonymous person in Saudi Arabia, labelled only with the

eral police tend to be in gun

licensing."
Earlier yesterday Mr Roy Cameron, president of the Association of Chief Police Officers, stressed that chief constables went to considerable lengths to try to ensure that guns were not in the hands of potentially dangerous neonle "Refore a firearm or shotgun certificate is granted, chief constables will satisfy themselves that the applicant

is not prohibited under the

the city. Tonight a vigil will be held to remember those who died. On Sunday, which poignantly is Mothers Day, there will be a special morning ser-

normality will return to Dunblane very quickly," said the Reverend Moira Herkes, the associate Church of Scotland minister at the cathedral. "That's what Scots are like: we display an outward calm and an absence of emotion. But underneath there's suppressed grief and anxiety."

firearms, is not of intemperate habits or unsound mind, be satisfied that the safety of the public will not be endangered hy an applicant's possession of weapons and ensure that there is good reason for requiring

But public anger has raised questions about Hamilton's possession of a personal firearms certificate even though be had been expelled from the Scout movement and been the

subject of several police and other local inquiries following allegations of his behaviour with children. He had owned a gun liceoce since 1977 and been a member of various gun clubs, it was confirmed vester-

The Scottish Office reported that the man who murdered 16 children using four licensed handguns had certificates for six weapons in all. These were a 7.6mm rifle, a 2.2mm rifle, two .357 revolvars and two 9mm pistols.

Under the 1968 Firearms Act, a firearms certificate entitles the holder to own a number of weapons. "People who have firearms certificates can have a range of weapons for different purposes, so it is not unusual that a person with a certificate has a variety of guns of different calibres." a government official explained.

Hamilton is thought to have filled in a three page standard application form including a negative to the questions "have you now or have you disorder," and "have you been convicted of any offence."

tion. However, the Euroscep-

tics' decision whether to call a

truce depends in part on

Labour's referendum position.

"If Labour were to make the

pledge first, it would put us in

an appalling position", said a

leading Tory sceptic MP, "Wa

would then be seen to be copy-

ing them. In those circum-

stance most of my colleagues

### European loses case against **Economist**

By John Mason, Law Courts Correspondent

The weekly newspaper The European failed yesterday in its claim that the trademark of its title had been infringed by European Volce, a Brusselshased tabloid recently launched by The Economiat magazine. The claim was made in the High Court in London.

A judge refused to grant an injunction to force The Economist to rename its new publication. He said there was no chance that the use of the word European in both titles readers.

The European had complained that the use of the word European might make people think that it rather than The Economist was publishing the new weekly. The European was founded by the late Robert Maxwell and is now owned by the mottimillionaire Barclay brothers.

Enropean Voice was launched last October by the Economist. in which Pearson, the British media group which owns the Financial Times, has a 50 per cent stake. The paper is aimed at a specialist readership, principally members and staff of European Union institutions such as the Commission and Parliament. It has a relatively small print run of 20.000, circulates mainly in Brussels and does not use col-

our.
The European is a weekly colour broadsheet with a circniation of about 165,000 among the general public.

"It is quite clear that different people, equally eminent and experienced in the trade, take different views on the question," said the judge. In the end, he relied on his own view the two titles were not similar enough to create copfosion, he said

A spokesman for The Eronomist said afterwards: "We were surprised The European ever brought this case and are pleased at the judge's ruling". Mr Charles Garside, editor of The Enropean, said the paper would studying the judge's ruling.

# Party divided on EU referendum

By Robert Peston,

Senior MPs in the opposition Labour party admitted yester-day that It is in effect committed to holding a referendum on sterling's membership of a single European currency if monetary union begins in 1999 on schedule and a decision has been takeo for sterling to join.

However, just as the governing Conservative party's cabinet is split on whether to make a firm referendum commitment, there is division on the issue at the top of the parliamentary Labour party. Earlier this week Mr Robin

Cook, the Lahour party's shadow foreign secretary, said in the House of Commons that "no British government can ioin a single currency without the consent of the British people". This was a simplification of Labour's formal position that it would not take sterling into a single currency without seeking popular assent either

through a referendum or a gen-

The party accepts that the next general election in Britain will not be fought oo whether to join a single currency. Even if the election were held at the last possible moment - in the middle of next year - a decision on monetary union would be premature. As a result, if a Labour gov-

ernment decided in 1999 to replace the pound with the euro - and assuming that monetary union is initiated on the current timetable - it would have to hold a national referendum. "There is no escaping that", said a frontbencher.

The question therefore is why Mr Tony Blair, Labour's leader, has resisted the temptation to make this commitment more explicitly. One reason is that the shadow chancellor of the exchequer, Mr Gordon Brown, is just as hostile to making a referendum commitment at this moment as Mr Kenneth Clarke, the Conserva-

Mr Brown is opposed to narrowing his room for manoeuvre oo the single currency issue three years before the decision is taken. He is also concerned that such a public

commitmeet might damage the

warm relations which Labour

has cultivated with pro-EU governments across Europe.

tive party's chancelior.

'It would send out the wrong signals", said a senior member of the party. But there is a strong counter-argument for Labour in favour of a firm referendum commitment, in that it would upstage the government's

imminent pledge on the issue. The prime minister hopes in the coming fortnight to overcome Mr Clarke's opposition, permitting him to make the referendum promise at the end of the month. He hopes in this way to persuade recalcitrant Eurosceptic Conservatives to cease their campaigning to keep sterling outside a single currency until after the elec-

would feel they had to press Major for a definitive commitmeot never to join a single cur-This prospect is causing con-siderable anxiety in the cabinet and bas naturally persuaded some senior members of the Labour party to argue

for a pre-emptive strike, Mr Tony Blair, Labour's leader, is however unpersuaded. "We are quite happy with our current position," said one of his close colleagues. "If we made the explicit referendum pledge, we would be accused of political opportunism."

Philip Stephens, Page 16

### 經濟學縣 并逐步性 解 然 明上 为此或者以来以下以下 人

### **ACCOUNTANCY APPOINTMENTS**

# Venture Capital – Cuba

### **Entrepreneurial Executive**

Our client is one of the investment pioneers in emerging markets, managing substantial funds in developing countries worldwide. Building on its highly successful trail-blazing record, the company has recently created an investment company focused on Cuba.

The client seeks a highly commercial business executive - to be based in Havana - who will take a leading role in driving the success of the company. Heading up a small team, this position involves researching and evaluating investment opportunities, presenting financial analyses and recommendations to the Investment Committee. tt would also involve structuring, oegotiating, closing deals and monitoring the finances and performance of investee companies - often as a member of the Board. Other responsibilities include internal financial control, producing accounts, compliance with relevant regulatory authorities

and training local or expatriate staff. The ideal candidate, aged 27-35, will combine the energy. resourcefulness and initiative to move deals forward with the

ARGENTINA

Traditional Estancia, formerly owned by the Bovril Company

Suitable for cantle breeding and rearing, with 1,500 Hectares for

patience to overcome the delays and problems intrinsic to an emerging market. Linising with directors, local employees and professional advisors, excellent communication and negotiation skills will be essential. Candidates must have a strong finance background and good PC based computer skills together with the ability to evaluate unlisted companies, prepare financial forecasts and structure investments. Spanish language skills would be preferable hut not essential.

This position offers an outstanding opportunity to become involved in and benefit from an economy which is beginning to recover and which offers unique investment possibilities. The remuneration package is likely to appeal to the ambitious; in addition in an attractive salary, housing allowance and related benefits there is an excellent options scheme offering the potential to make substantial capital gains.

Interested applicants should send or fax their CV quoting reference 153 or contact us on 0171 242 9191, or during the evenings and weekends on 0t71 231 8272.



SEARCH & SELECTION 95 FETTER LANE, LONDON ECSA 189. THE PHONE 0171-242 9191 FAX: 0171-242 3560

### APPOINTMENTS WANTED

Commercial ACA (30) Experience of restructurings, New Ventures, planning and analysis. Now seeking new challenge. Save on recruitment fee -

### APPOINTMENTS **ADVERTISING**

coff me direct on 637 8736

appears in the UK edition every

Wednesday & Thursday and in the International edition every Priday

For further information please call: ..

Andrew Skarzynski +44 0171 873 4054

**Toby Finden-Crofts** 

+44 0171 873 3456

## International Finance Director

Oxon · Manufacturing

£60000+ Bonus & Car

The organisation is a substantial group of operating companies, t/o £250m, within one of the UK's most respected and quoted plcs. currently capitalised at £2 hn. Through manufacturing and supply of specialist engineered mechanical, electro-mechanical and electronic products for many years, they have achieved a first class reputation over a wide global customer base.

The opportunity is to work with the MD of this group nn maximising profit generation, strengthening operational disciplines and providing sound financial / commercial support to senior management which will grow the business organically and by acquisition.

The candidate, a qualified accountant, must have operational FD experience in a fast moving manufacturing environment involving regular contact with all disciplines and the application of strong financial and costing controls.

Drive, determination, firm diplomacy, energy, personality and presence are equally important.

The role will involve a great deal of international travel and stamina is required but the challenge and the opportunities provided are exceptional. Please write enclosing full curriculum vitae quoting ref 646 to: Philip Cartwright FCMA, Cartwright Consulting, 3 Wigmore Place, Cavendish Square, London W1H 9DB Tel: 0171 371 9476 Fax: 0171 371 9478

CARTWRIGHT CONSULTING FINANCIAL SELECTION & SEARCH

### Leading FMCG Group - Range of finance opportunities

Our client is a household name in the consumer products sector. They are part of a world-leading food and clinis group and possess a range of brand names which provide a competitive edge in a dynamic market place. Relocation of their headquarters to the North West and a rapid programme of re-engineering the business has resulted in several exciting finance opportunities within this £170 million autonomous subsidiary.

### FINANCIAL CONTROLLER To £35,000 + Expensed Car + Benefits .

Reporting to the Finance Director and managing a team of staff, this appointment offers full responsibility for all financial accounting and reporting including statutory and legal matters. You will ensure the presence of strong financial controls throughout the business and encourage strict management over assets.

There will be extensive Easton with external advisors and regular

contact with Directors and group HQ. The successful candidate is likely to be an ACA with approximately 4 years post-qualification

### MANAGEMENT ACCOUNTING CONTROLLER To £35,000 + Expensed Car + Benefits

Reporting to the Finance Director, this key role offers responsibility for business-wide reporting, planning and analysis, liaison with group HQ and providing leadership to other meregement accounting teams. The brief includes budgetary control and production of management information for the Board slong with a range of business analysis and commercial projects. The incividual sought will probably be a CIMA with 4 years post-qualification experience and excellent interpersonal stalls.
RMCG experience is desirable.

### BUSINESS UNIT ACCOUNTANTS £30,000 + Expensed Car + Benefits

These new roles create the opportunity to work alongside high quality General Managers. You will provide them and their multi-disciplined teams with sound, perceptive and pro-active financial advice. Responsibilities cover all aspects of these divisions' financial management, including capital expenditure, manufacturing costs, advertising, promotions and sales revenue. The successful candidates will have a major influence on business performance, be comfortable with an FMCG. manufacturing operation and be CIMA qualified.

There are further opportunities for Management Accountants (Ref: PG/MH4) with up to two years post-qualification experience.

Please send your CV, quoting the relevant reference number(s) to Paul Goodman at: GMS, Goodman Masson Shaw, Crusader House, 145-157 St John Street, London EC1Y 4QJ. Telephone: 0171 336 7711, Rat: 0171 336 7799.

GOODMAN YASSOYSHAW

TIMES

cropping (Soya-bean). Potential for rice. Well equipped and improved. Good water supply. Principal House. Foreman's House, Office, Personnel Dwelling, 12 Outposts, Barus, Runway for light aircraft. Receptivity: 0.5 Cow Equivalent per Hectare per Year INTERNATIONAL

> Tel.: -54-1) 311-9657 Fax: (+\$4-1: \$11-3932

(UK Agents) Madero, Lanusse, Belausegui y Cla. S.R.L. Tel.:(+44)-1723-362703 Fax: (+44)-1723-864329

Province of Santa Fé

Reserve: USS 200.- per

10th April 1996

### GROUP FINANCE AND OPERATIONS DIRECTOR CELLULAR TELECOM INDUSTRY

GLOUCESTER

The Group is a market leader in the provision of cellular telecom services. Sustained growth and content year turnover of more than £10 million, has led to the requirement for a commercially astate financial professional to strengthen the organisation and play a key role in its future development. Responsibilities will include all aspects of financial management and control, IT and logistics.

Reporting to the Managing Director, the successful applicant will: be a graduate collibre qualified accountant, computer literate and with first class rechnical skills;

have sound commercial experience, gained in both large, well run and

smaller entreprenential companies, ideally in the High-Tech sector.
be a hands-on manager, comfortable at both the strategic and detail levels. Please write in confidence with a full CV and salary history to: DAVID LEE, Ross Brooke & Co, 37 London Road, Newbury,

The UK 200 Group PRACTISING CHARTERED ACCOUNTANTS

The exchange is expected to

circulate In the next few weeks

the draft of a new chapter to

its Yellow Book, which con-

tains listing requirement for

all listed securities. New rules

allowing property funds with a

full stock exchange listing

could be introduced as soon as

the summer. Such funds are

likely to be based on the unit

trust structure, whera the

investment's capital base

grows and shrinks as units are

bought and sold, unlike compa-

nies or investment trusts in

which the share capitalisation

tric arc furnaces - small fur-naces which can make steel

economically in much smaller

quantities than traditional

integrated steelworks using big blast furnaces. Unlike the lat-

ter, electric arc furnaces can be

be run without large amounts

of scrap steel as feedstock. instead, they use direct-reduced iron made by a special

process straight from iron ore.

Ispat claims to be the world's biggest producer of direct-

Although direct-iron-based

steel accounts for only 35m

tonnes out of world steel out-

put of more than 700m tonnes,

investments by Ispat and others could bring another 20m

The direct-reduced iron pro-

cess has spared Ispat from the

swings in scrap metal prices which have been high in the

tonnes on stream by 2000.

# Exchange may admit property trusts

stock exchange

Property Correspondent

The London Stock Exchange is considering changing its rules to allow a new generation of tax-efficient property investment vehicles.

The rule changes under consideration would allow the creation of property unit trusts which would be allowed to trade on the exchange. Fund managers now wishing to invest in property have the choice of buying actual buildings or shares in a property company or unlisted unit

Property companies pay corporation and capital gains tax. which makes it more efficient for tax-exempt investors such as pension funds to own buildings directly rather than shares in a property company. However, this creates a second problem: property can be a difficult asset to buy and sell, and an administrative hurden to

manage directly. The rule changes could thus provide a financially attractive way for fund managers to turn their property portfolios into more easily tradeable investments.

A group of fund managers,

for example, could pool build. Investment Trust (REIT) marings which they owned directly into a new listed trust in which they would own shares. These could then be traded on the

The successful introduction of liquid tax-efficient property funds could lead to a widespread restructuring of the UK property market. Pension funds could exchange their illiquid property portfolios for liquid securities without suffering any tax disadvantage. This would pave the way for the creation of a liquid market in property securities similar to the \$50bn US Real Estate

have long argued for the introduction of property investment vehicles which are more tax transparent than property

The latest initiative has been spearheaded by Mr Dik Dusseldorp, the founder and former chairman of Lend Lease, the large Australian combine.

1970s helped create the Australian property trust market and the US REIT market, wants to create a vehicle based on the unit trust formula but with a

than 6m tonnes a year. Mr Mit-

tal has paid about \$450m for

the works and intends to

invest about \$500m over five

At the same time, he is busy

looking for opportunities in the

US, where he recently

announced plans for a plant

making 1.5m tonnes of direct-

reduced iron a year. He bopes to follow this with investments

in electric arc furnaces, possi-

bly buying plants from existing

producers. Mr Mittal says: "We

set ourselves the target of

producing in the former Soviet

Union and in the US. We have

done the first. Now we need to

Meanwhile, Ispat has signed

an agreement with Kobe Steel.

the Japanese steelmaker which

developed important elements

of the direct-reduced iron tech-

do the second."

vears.

**Nuclear** fleet cost

UK NEWS DIGEST

nuclear deterrent rose by £477m (\$725m) last year, but the Ministry of Defence said the Mr Dusseldorp, who in the programme was still running below its original projected budget. Mr Michael Portillo, defence secretary, said the increased cost was largely caused by inflation and exchange rate variations, although he admitted that real costs had increased by £112m. The higher than

### expected cost of building a new refit facility at Devonport Dockyard in sonth-west England is

understood to be one factor.

Mr Portillo said the four-boat Trident submarine force would be ready on schedule and that the second vessel was launched on time at the end of 1995. Mr Bruce George, vicechairman of the House of Commons defence committee, said MPs would demand a full explanation of the reasons for the increased costs. "When you look at every single procurement project the ministry embarks upon, on the whole it does not work or it is over budget

up by \$725m

The estimated final cost of Britain's Trident

at the end of the day," he said. George Parker, West

### \$3bn loan facility for Railtrack nears completion

Railtrack, owner of the state rail network's track and stations, is close to finalising a loan facility of between £2bn (\$3.04bn) and £2.5bn which should finance its investments into the next century. Railtrack is set to be floated on the London stock market next month. The facility, which is likely to have a life of between five and seven years, is an important plank in Railtrack's privatisation because the London Stock Exchange requires a company seeking a listing to have sufficient financing in

place for working capital and investment. BZW, the investment banking arm of Bar-clays Bank, is arranging the facility. Once the financing is in place, Railtrack can issue its prospectus. The flotation will take place in May. Bankers said the government's decision to write off £1bn owed by Railtrack would allow the company to draw on the facility without damaging its balance sheet or worrying its shareholders. The government's action means that Railtrack is likely to have a capital structure of £585m to £600m of debt and about Elbn of shareholders' funds.

Antonia Sharpe, Markets Staff

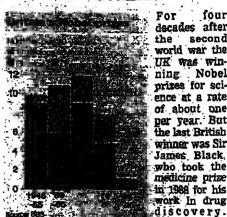
### Accountancy bodies are urged to co-operate

mergers. Professor Mike Harvey, president of the Chartered Association of Certified Accountants, said the profession's existing umbrella body - the Consultative Committee of Accountancy Bodies should review its role and structure to see if it could coordinate greater co-operation and help deal with any new regulatory body which may emerge from current

He added that the important issue was to find a "way of achieving our common objectives without losing the valuable diversity offered by the various bodies". The government has been pressing for some time for the profession to "speak with one voice".

Jun Kelly, Accountancy Correspondent

### Number of Nobel prizes for science declines



the second world war the UK was winning Nobel prizes for science at a rate of about one per year. But the last British winner was Sir James Black, who took the medicine prize in 1988 for his work in drug discovery.

Science, the scientists' lobby group, drew attention to the recent Nobel drought in a policy document for the next general election, which it released yesterday to coincide with the start of setse, the national science week. The group said it wanted to set the record straight because "in recent statements minis-ters have drawn attention to Britain's outstanding record in the competition for Nobel Prizes in sciences. The group is pushing for

big increase in science spending.

Professor Jean-Patrick Compareds, of Imperial College London, who is on the group's executive committee, said winning Nobel prizes was not just a matter of honour and glory, "When British scientists win, they have a great influence in attracting young people into their subjects," he said. Clive Cookson, Science Editor

### Oil and gas exploration licences are awarded

Twenty two licences for oil and gas explora-tion on land in England were awarded by the government. They cover mainly the East Mid lands and Lincolnshire besing other awards were made in less well-established areas including south Wales. Yorkshire and Humbersida Hampshire, Oxfordshire and Wittshire Mr Richard Page, the juntur energy minister, said the licences should result in a strong increase in onland exploration activity. Several of the licences are for extracting gas

Dovid Lascelles, Resources Editor

Acquisitive London-based company plans expansion programme in US and east Asia

# Steel group invests \$950m in Kazakhstan

it is not every day that a privately owned company In London's Berkeley Square decides to invest nearly \$1bm in a rundown steelworks with 38,000 staff in the former Soviet

But Ispat International, the steel group which recently announced plans to invest \$950m in Karmet, Kazakhstan, thrives on taking risks that others might have avoided.

The group, which last year moved its bendquarters from Jakarta to London, has in the last decade created a business encompassing Indonesia, Trinidad and Tobago, Mexico, Canada and Germany. Under Mr Lakshmi Mittal, its Indian-born chiel executive. Ispat has established itself as one of the more dynamic of the world's

Nevertheless, the Kazakhstan venture is Ispat's biggest gamble yet. Even in its first year it will add some \$1bn to the group's \$2bo turnover and add more than 30,000 to the payroll of 6,500, Moreover, whereas much of Ispat's recent expansion has coincided with buoyant steel markets, the latest investment comes amid

signs of a slowdown.

Mr Mittal, 45, has no doubts that Ispat can modernise Karmet, the world's third largest steelworks, "We can see lots of potential." He is so confident that Ispat is simultaneously



Lakshmi Mittal: "We can see lots of potential"

pressing ahead with plans to expand in the US and east Asia, and with the overhaul of Irish Steel, the only steelworks in the Republic of Ireland.

Mr Mittal has good reason to believe in his management skills. He was born into an Indian business family which made its fortune in steelmaking in India. The eldest of four sons, he decided in his mid 20s to strike out on his own and established the family's first overseas operation in Indonesia in 1976. In 20 years he has numed an initial \$1.5m investment in a rolling mill into a group making 6.5m tonnes of steel a year with

In India, leaving him and his wife as sole owners of Ispat.

control of Trinidad's stateowned steel company, which he bought outright last year. Other acquisitions followed state-owned companies in Mexico, Sidbec-Dosco in Quebec, and Hamburger Stahlwerke in Germany.

Generally, purchase prices were low but the acquisitions were tied to investment commitments. Ispat has concentrated on producers with elec-

assets of \$3.5bn, or \$1.8bn after deducting bank loans. Mr Mittal bas steadily cut the commercial links with his family

In 1988, he took management

nology, to explore investment 1990s because of solid demand for steel. So, Ispat has enjoyed possibilities in east Asia. Mr Mittal has also made time a cost advantage over many traditional steelmakers. It has to push through his invest-ment in Irish Steel, which the also capitalised on its trading skills and international netgovernment of the Republic of Ireland is supporting with aid worth 1538m (\$59m). The deal, work to switch supplies between different markets to maximise profits. which was challeoged by the UK government on Kazakhstan is a challenge of grounds that it broke EU state aid rules, was eventually

a different order. Not only is the plant much bigger than Ispat's others, it is based on traditional blast furnaces and approved by the European Commission after Ispat is poorly served by internaaccepted limits on Irisb Steel's tional transport links, Ispat's output. Asked why he had plan is to close lossmaking spent so much effort on a relaoperations, cut staff by 10,000. tively small plant, Mr Mittal shrugs his shoulders and says: and invest to raise output from less than 40 per cent capacity "I like a challenge."

# The accountancy profession's six main repre-

sentative bodies are being urged to take further steps towards closer co-operation in the wake of continued failure to agree formal

We have helped develop coatings that shine in more ways than one

Environment-friendly paints protect cars as well as giving them a special shine

### How Bayer conserves resources by recycling:

There was a time when the importance of using raw materials efficiently was not appreciated to the same extent it is today. Many things that were formerly disposed of as waste are now recycled or have become the starting products for new

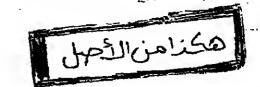
For example, sulphur dioxide is collected in flue-gas precipitators and converted into sulphuric acid. Hydrochloric acid, a by-product of chlorination processes, is returned to the manufacturing cycle. Polluted solvents are reprocessed, and useful substances are recovered from waste water with the help of modern separation techniques. As a result, raw materials are conserved and the burden on the environment caused by emissions is eased.

Environmentally acceptable operations and responsible conduct are, to us, important steps forward in preserving the natural basis of life for generations to come.

We would be happy to provide more information upon request. write to Bayer AG, Public Relations Department (KI),



Expertise with Responsibility



### **MANAGEMENT**

Then the Americans with Disabilities Act went into effect in 1990. US managers were unsure how to conduct interviews with disabled job applicants.
"The EEOC [Equal Employment Opportunity Commission originally took the position that we couldn't even broach the subject of disability until after we had made an offer, says Kenneth Tregenza, administrator of employee relations at General Motors. But they seem to have backed off that view. Now, we discuss up front what the job entails physically and what accommodations would have to be made."

BUILDS MARKET

aircraft

AMERICAN STREET Service of the Party

ومنت والمراز

27.

. .

order

100

Six years after the passing of the Americans with Disabilities Act (ADA) – which guarantees equal opportunities for the disabled – employers are still trying to sort out its nebulous and ever-changing regulations. Confusion over provisions has led to calls for a rewrite or even repeal of the law on Capitol Hill, calls that have become louder now that Congress is dominated by anti-regulation Republicans.

Many managers remain con-cerned over the vague wording of the act. Under the ADA, the private sector is required to make "reasonable accommodations" for workers with "disabilities", yet fails to clarify exactly what these terms mean.

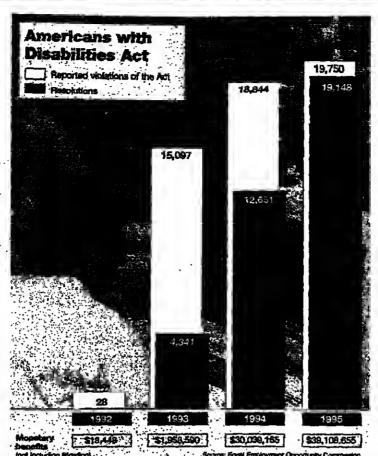
"What is a 'disability'?" asks Jonathan Mook, a lawyer with Ogletree, Deakins, Nash in Washington DC. "Does it include things like diabetes, Aids, obesity? And what is a reasonable accommodation? The government has left these questions to be hammered out in the courts at great cost to some employers."

The confusion has led to a spate

of lawsuits over the issue - some 50,000 at the last count, according to the Burean of National Affairs. At times, the suits seem to take bizarre twists. Last September, an obese man was awarded more than \$1m (£666m) in a settlement with Northern Automotive Corp in California, after the 454lb equipment operator complained he was fired because of his weight. That same month, a physician with a drinking problem failed to win a case against New York City Health and Hospitals Corporation. The doctor, who had been suspended for being visibly drunk on the job, had claimed protection under the ADA as a recovering alco-

holic. Adjustment to the act is thought to have been especially difficult for small companies, which in many cases have little experience in dealing with disabled workers. But a number of blue chips have also been slapped with lawsuits, includ-ing Boeing, Chrysler, GTE, AT&T and General Dynamics. Critics of the ADA point out that

the legislation does not appear to have boosted the numbers of disabled in the workplace. According to



# Equality experiment

Employers are still confused about the Americans with Disabilities Act, writes Victoria Griffith

the Census Bureau, of 49m disabled persons in the US, about 15m hald jobs in 1993, the latest year statistics are available, compared with about the same number before the law went into effect. Moreover, EEOC statistica show that just 10 per cent of ADA lawsuits involved hiring decisions. The rest were complaints by workers who already had jobs with the company they

Sceptics also claim that the act has most benefited those with less severe disabilities. Abont 19 per cent of all ADA lawsuits to the end of last September were filed by workers with back impairments, according to the REOC. Another 12 next few years we should see some

per cent were based on emotional and psychiatrie disabilities. A poll conducted by the consultants Louis Harris and paid for by the National Organisation on Disability claims the act is making a

little cost to employers. According to the survey, three quarters of managers said they expected to make greater attempts to hire workers with impairments over the next three years. "We haven't seen much of an impact on the number of disabled in the workplace yet, because it's taken a while for employers to understand the issue," says Tregenza. "But over the

difference to the disabled, and at

real headway being made." ADA proponents point out that the expense of making adaptations is usually small. The Job Accommodation Network, a government agency, estimates that the typical accommodation costs about \$200. with aboot three-quarters of all changes running under \$500. "The solution can be as simple as providing a parking space closer to the entrance," says Deborah Jones Hendricks, assistant project manager for the Job Accommodation Network. Companies also accrue savings on payments that would otherwise have to be paid to workers who become disabled after they are hired.

At times, making the workplace amenable to people with impair-ments requires a sizeable investment. Eastman Kodak, for instance, has adjusted the speed of elevator doors, banded out voice-activated computers, and adapted its toilet stalls to accommodate employees Although, according to the Harris poll, most managers say disabled workers are more expensive than employees Without impairments many feel the extra trouble and

expense is worthwhile. "We find that once we've made the investment, disabled workers are more loyal and tend to stay with the company longer," says Barbara Steen, supervisor of disability management at Eastman Kodak. Some companies are taking

advantage of their disabled workforce to expand their customer appeal. General Motors, for instance, has launched a pro-gramme which enlists the company's impaired employees to make suggestions on vehicle design.

"Sometimes we're talking about big markets here, like for people with arthritis," says Paul Ulrich, development engineer for the company and a wheelchair user. "If we can come up with an easier ignition, that expands our customer base, and people with disabilities spot these features more quickly than everyone else."

Under another initiative, General Motors offers to spend up to \$1,000 to modify disabled customers' vehicles. "We estimate that for every sale under this programme, we generate another two sales of standard vehicles," says Ulrich, "It creates so much goodwill that relatives and neighbours of the disabled person take a second look at GM next time they go shopping for a

With Congress calling for fewer private-sector regulations, the future of the ADA is uncertain. Yet despite the confusion surrounding the act, many managers are enthusiastic about the legislation. Diverse workforces have become a goal in corporate America, and at a growing number of places, that includes disabled employees.

### JOHN KAY

# Challenging the robust and flexible plc



rules to regulate building societies. But with building societles rapidly turning themselves into banks, it is

not clear that there will be much left to regulate hy the time the rules are in place. Corporate investors are taking over from rich individuals - (less rich than they were) as the source of capital for Lloyd's of London. KMPG has become the first, but

certainly not the last, accountancy partnership to place its audit func-tions into a limited company. The nation's railway lines, proud creation of Victorian engineers and financiers, are again about to be floated on the London Stock

Behind these apparently uncon-

Among life assurance companies, it is mostly the weaker companies who see conversion as the only means to

sufficient capital to

support their growth nected events there is a single theme and a single canse. The theme is convergence on the plc as the only form of economic organisation in the modern world. The cause is that we bave not allowed any other form of economic organisation to achieve the combination

of robustness to external chal-

lenge and flexibility in changing

circumstances that we have given

the plc. For mutual businesses, it seems to be a problem either to have too little capital, or too much. Among building societies, it is the strongest who are at the front of the queue to convert, over-supplied with capital, and able to use it to deliver value to their members and develop the range of their businesses. Among life assurance companies, it is mostly the weaker companies who see conversion as the only means to sufficient capimoney box is too full, you must convert to let some out: if it is too empty, you need to convert to

attract more in. Lloyd's has a bistoric structure that is simply too idiosyncratic to survive. That is part of its litigation problem: imagine if all the legal questions you could raise about the structure and gover-nance of a company were the subject of cases against a single firm. That company would find itself preoccupied with litigation and beleaguered by legal expenses, and something not very different is bappening here. So Lloyd's management increasingly comes to resemble the management structure of an ordinary company, and so does its capital base. And no one would be keen to work for BP or BT if every case of an incompetent tanker captain or a wrong connection involved a risk that you would have to sell your bouse and take up residence in

cardboard city. The partners of the big accountancy firms don't much like that kind of risk either. Who wouldn't rather be a company director, with a safe salary, share options, and a company-funded policy to cover directors' liabilities, errors and omissions?

So that is what they plan to be. And yet there is a cost to this loss of variety of organisational form. British mutual financial institutions were extraordinarily suc-cessful in their day. Building societies invented the residential mortgage, and captured most of the retail savings markets before the complacent, cartelised banking industry got round to noticing. Money Management's life assur-ance performance tables consistently show mntual companies at the top. The very distinctive character of Lloyd's gave it a flexibility and a capacity to exchange and process information which was central to London's pre-eminence in the world insurance market for over a century. And the partnership structure is a legal form which mirrors exactly the business relationships which exist within an effective professional

services firm. So we made a mistake when we decided, partly by default and

we would not give these alternatives any encouragement. The watershed was when the government decided that it was anomalous that the assets of the TSB were not owned by anyone, and transferred them to the custody of the board of a plc. which promptly threw them all away.

That might bave been a reminder that the plc was not a perfect structure, but no such lesson was learnt. Anditors got a dusty answer when they sough more legal protection for their partnersblp structure: bnilding societies were made vulnerable to takeover but denied the opportunity to turn themselves into mntual banks. But sooner or later we will have to revisit the issue. We will have to revisit it because we want to bave schools and hospitals that are free of

When the limited liability company was invented, critics thought it would not prosper because no one would trade with such an irresponsible organisation

direct political control and able to raise private finance; but there will never be a popular appetite for passing responsibility for edncation to Dotheby's Hall plc. We will have to revisit it because we have not yet got right the ways we run and regulate monopoly ntili-ties. And we will have to revisit It because one of the features of a vibrant society, socially and economically, is the variety and range of its institutions.

When the limited liability company was invented a century and a half ago, many critics thought the institution would never prosper because no one would trade with such an irresponsible organisation. The critics were not completely wrong. The plc is far from the ideal form of organisation for every substantial business. It is just that, at the moment, it is the only viable form we have.

### **CONTRACTS & TENDERS**



### MOD Joint Services Command and Staff College PFI Opportunity

The Ministry of Defence intends to establish a Joint Service Command and Staff College (ISCSC) to subsume the functions of the three single-Service Staff Colleges (the Royal Naval Staff College Greenwich, the Army Staff College Camberley and the Royal Air Force Staff Cottege Bracknell) and the Joint Service Defence College at Greenwich. The location of a JSCSC might be at Camberley or at a site (not necessarily in Ministry of Defence ownership readity accessible from London.

The ISCSC will be the Ministry of Defence's premier training establishm prestige institution which will provide training of the highest quality to selected students from the UK Armed Forces and abroad. The Ministry of Defence wishes to identify the potential for private sector involvement in the provision of high quality College accommodation (including infrastructure and residential accommodation), associated facilities management for a range of services, and possibly civilian academic support. There is also potential for development on surplus MOD land.

The Minsitry of Defence wishes to identify the potential for private sector involvement consistent with the UK Government's Private Finance Initiative (PFT) in which case it will be for the private sector to determine the method of funding required as well as providing the innovation, technology and expertise to deliver the service to the required standard.

A briefing day from which potential bidders can gain a better understanding of the opportunity, together with further details and an opportunity to discuss the project has been arranged. The proposed date of the briefing is 26th March 1996 and it will be held at the Army Staff College, Camberley. To register your interest for the above major business opportunity, and to receive

an invitation to the briefing day along with a Preliminary Information Pack and Pre-Qualification Questiounzire please contact

loint Service Command and Staff College Project Team

Army Staff College Camberley, Surrey GU15 4NP

Tel: 01276 64514/63892

Prospective bidders may wish to note that it is the Ministry of Defence's current intention to provide an outline specification for the required services to companies who successfully pre-qualify and to seek indicative bids prior to short-listed tenderers being invited to negotiate. Interested parties should note that notice was despatched to the Official Journal

of the European community on 27 February 1996.



### MINISTRY OF DEFENCE PRIVATE FINANCE INITIATIVE **ADVISER**

The Ministry of Defence wishes to appoint a UK-based firm to take the lead in providing advisory and support services for the development of a PFI solution to a major project that is under consideration for the refurbishment and modernisation of its principal HQ building in Whitehall; the project will include the decant of staff and subsequent re-occupation. The advice required is expected to include, but is not limited to, coostruction, financial, facilities management, property and publicity services, The capital cost of work on Main Building is estimated to be in

the region of £150 million. Further information is available in the current edition of the Ministry of Defence, Works Services Opportunities available from

Business Information Publications Ltd Freepost. Glasgow G3 6BR Tel: 0141-332 8247

Fax: 0141-331 2652

### THIRD CALL FOR TENDERS FOR THE SALE OF THE ASSETS OF "THE UNITED PACKAGING INDUSTRIES OF GREECE S.A."

of Athens Greece. "STHINIX KEPHALEOU S.A. Administration of Assets and Liabilities". of 9a, Chryscophliotissis St., Admin. Grocca, in as capacity as Liquidator of "THE UNITED PACKAGING INDUSTRIES OF GREECE SA" a company having in registered office in Athens, Grocce (the "Company"), currently under special liquidation according to the provisions of stricle 46m of Law 1892/1990 by virtue of Doctsion No 5074/1996 of the provisions of article due to Law 10-24-170 by value to control of the creditors representing more than 51% of the claims against the Company.

sonounces a third call for tenders

for the sale of the assets of the Company described below, as a single whole.

BRIEF INFORMATION The company was established in 1974. In 1989 it was placed under special lumidation according to the provisions of strictle 46a of Law (1892/90. Its objectives included the ion and sale of packaging materials.

ASSETS OFFERED FOR SALE:

The gasets being offered for sale include a factory standing on a plot of initially 101.337.76 sq.m., reduced to approx. 71.795.76 sq.m., following street alignment and land expropriation in the area, at the 2nd kim of Tripoli - Argon National Road, containing machinery and mechanical equipment. The trade name of the company is the offered for sale for the company in

OFFERING MEMORANDUM - FURTHER INFORMATION: d parties may obtain a copy of the Offering Memorandum in respect of the yard its assets upon signing a Confidentiality Agreement.

TERMS AND CONDITIONS OF THE AUCTION

TERMS AND CORDITIONS OF THE AIRCTION

1. The Abection shall take place in accordance with the provisions of article 46s of Law 1892/1990 (as supplemented by art. 14 of L.2000/9] and subsequently amended) the terms and conditions set forth herein and the "Terms and Conditions of Sale" constraint in the Offering Memorandum. Such provisions and other terms and conditions shall-apply irrespectively whether they are mentioned herein or not. Sobirains on of binding offers shall mean acceptance of such provisions and other terms and conditions.

2. Rinding Offers: Interested parties are hereby invited to subvolt binding offers, particular than Therefore, April 9th 1996, 1240 hears, to the Atheras Notury Public Mrs. Iounna Gevrieli - Anagnostalaki, 18 Faliou St., Athens 106 78, tel.: +30-1-38.19.728.

Eaxt. +30-1-38.25.191.

Offers therefore expressly state the offered price and the detailed terms of payment in

Offers should expressly state the offered price and the detailed terms of payment (a Offers should expressly state the offered price and the detailed states of psyntam (in cash or instalments, mentioning the number of instalments, the dates thereof and the proposed annual interest rate if any). In the event of not specifying a) the way of payment, b) whether the credited annum shall bear increas and c the interest rate, then it shall respectively be deemed that at the offered price is payable upon execution of the sale comment, b) the amount credited thall bear no interest and c) the interest rate shall be the legal rate from time to time in force. In all cases where the credited amount bears interest this shall be exclusived in relation to the cutturalities amount and shall be thin shall be calculated in relation to the outstanding amount and shall be merest, this again be extended at remove to the obtaining offers automated later than the above date shall neather be accepted not considered. The offers shall be binding until the adjudication. Submission of offers in favour of third pures to be nominated as a later stage shall be accepted under the condition that express mention is trade in this respect upon submission and that the offers shall give a personal guarantee in favour of such third party, for the compliance of the obligations deriving from the salle

contract.

3. Letters of Guarantee: Bitaining offers must be accompanied by a Letter of Guarantee. Stated in accordance with the sample Letter of Guarantee estimated to the Offering Memorandum, by a bank legally operating in Greece, to remain valid until the adjudication, the amount of the Letter of Guarantee trust by DES, FORTY MILLION (40,000,000.)

(40,000,000.-)
The Lewers of Guarantee shall be usuamed after the uditalization.

4. <u>Submissions:</u> Blanding offers together with the Lemps of Offerstones shall be submitted in sealed opeque covelopes. Spinningsions shall be made in pesson or through a duty

in scaled opaque envelopes. Schamingtons shall be made in person or involunt a unit sufficient agent.

5. Envelopes containing the binding offers shall be unscaled by the above mentioned Notary Public in her office, on Theodoy. April 9th. 1996, 14.00 hours. Any party having duly submitted a binding offer shall be ensided to attend and since the deed stacking the auxiliary of the banding offers shall be brandered the participant whose offer will be judged, by creditors representing over 51% of the chaints against the Company (the "Cridners"), topon suggestion by the Liquidgate, so be in the best innerests of all of the creditors of the Company. For the purposes of evaluation, an offer to be paid of innatineous shall be assessed on the basis of its present value, to be calculated by employing a 1976 annual discount rate. Company that present value, to be calculated by employing a 1976 annual discount rate. Company the

discount rate, compounded yearly.

7. The Liquidspor shall give written notice to the highest bidder to appear on the date and place mentioned therein and execute the contract of sale in accordance with the and place mentioned therein and givenus the contract of sale in accordance with the barries contained in his binding offer and/or any other improved urms, which that he suggested by the Creditors and agreed upon. In the event of the highest bidder not complying with such obligation, the Letter of Guarantee shall be forfested as a pensity. Adjustication shall be deemed to high effect of given execution of the contract of sale. 8. All costs and expresses of any attent in respect of the participation in the Auction and the transfer of the matter offered hereby for sale shall be exclusively bottle by the

purchaser

9. The Liquidator and the Creding shall have no limitify nor obligation whenever towards the participants in religious to the evaluation of the offers or the appointment of the highest biddle to any decision so repeat on circued the Auction or any decision whatsoever is sentectical with the proceedings of the Auction.

The Liquidator, the Creditors and the Normy Public shall have no highlity for any legal or actual defects of the assets. Solimistion of binding offers thall not create any right for the adjustication nor the performants shall acquire enty right, power or claim from this Call andfor their peristipations to the Auction against the Liquidator and/or the Creditors for any reason whatsoether. Creditions for any reason whatsophic.

10. This Call has been drafted in Crook and completed into Emplish, in any event, the

Oncek version shall prevail.

To obtain the Officing Memorandom and for any further information please contact the Liquidator of the Company: "ETHYNKI KREPALEOU S.A. Administration of Assets and Liabilities", address: 9a. Chryssospiliotissis Street, 105 60 Athens, Orecce, tel. +30-1-323,14.84, foz: +30-1-321.79.05 (attention Mrs. Merika Françairis).

### **BUSINESSES FOR SALE**

### AJ O'Connell (Plasterers) Ltd THE PERSON Ceramic Tiles Committees. (Contract) Ltd

The Joint Administrative Receivers offer for sale, on a going concern basis, in whole or in part, the business and assets of the above companies. Key features include:

Annual turnover in the region of £2 million

Several freehold properties in Ipswich

Well respected local companies established 1950's Contract work in progress

Plant, machinery and stock

For further information, please contact the Joint Administrative Receiver, Helen MacNaughton or Peter Walker at Ernst & Young, Queens House, Queen Street, ipswich IP1 15W. Tel: 01473 217491. Fax: 01473 214484.

### **II ERNST & YOUNG**

The United Kingdom firm of Erest & Young, a member of Erest & Young Internationals is sufficiently by the institute of Chartered Accountaries is England and Wales to earry on investment busin

### REFRIGERATED TRANSPORT AND DISTRIBUTION

Autonomous subsidiery, carrying on non-core activity of private group, validate for sele. East Midlands base UK and European operations. First class vehicle fleet. Stue chip custome bess and expellent profitability. Key management to remain. Principals only raply to Box No B4 Financial Times, One Southw Bridge, London SE1 8HL

**MAGAZINES FOR SALE** in fast growing markets respected and well estable
 potential spin offs

PROFITABLE SPECIALIST

immediately available. Sale due to retirement. Owner will assist transition:

### LEGAL NOTICES

in the High Court of deather No \$81110 of 1996.
Chancery Division.
Companies Court

THE COMPANIES DY

THE COMPANIES ACT 1985

NOTICE IS HURLEY GIVEN that a Petition was no 26 February 1996 presented as New Majority 1996 presented as New Majority 1976; Down of Justice for the continuation of the resistance of share explused of the Company from \$13.500,000 to \$6.065,374.72 by cancellings the \$13.500,000 to \$6.065,374.72 by cancellings the cultural of the continuation of the state of the company. AND NOTICE IS FURTIESE, GIVEN that the maid Petitions is directed to be thereof Declare the maid Petitions is directed to be thereof Declare to Registers' of the Companies Court of Registers' of the Companies Court of Registers' of the Companies Court of Parines, Seried, London WCZA 21.1. on 27 March 1996.

ANY confirme to the propose of the and Company destings to oppose the maiding to the said Companies to the use of fluctuage in person as by Commel for the purpose.

A copy of the said Petition will be intrinsiced to "Lay such person preserving the same by the andermenthoused Solicitors on payment of the interplaced damp for the same.

DATED 12 of March 1995

DATED 12 of March 1995

DATED 12 of March 1995

DATE TO THE TOTAL TOT

DATED 12 of Merch 1996 Press Cholmeley Bishelt 4 John Compensor Street London ECHY ONAL Ref: STRIAPIS Solicions for the above dismed Company

To Advertise Your Legal Natices Please contact Lesiey Sumner on Tot: --12 017 1 873 3308 Fax: +44 0171 373 3064

Write to Box 84376, Financial Tieres, One Southwark Bridge, London SE1 9Hi

DAVID MORGAN BU RALPEPREDCE.

DAVID MOSGAN and RALPS PREECS.

IN JOINT LIQUIDATORS of

KANSA EERSSTEARIES COMPANY
LIGHTED and KANSA GENERAL

EXTERCATIONAL INSURANCE
COMPANY LIGHTED

MERCHY CIVE NOTICE of applications order
lade 4.130 of the knolvency lickes 1996 for an
order that the Joint Liquidators' measurements be
fitted for an amount or use higher than the make
held down for the official nearlier by general
regulations, by reference to the time properly
given by the Joint Liquidators' and their mail
steading to matters arrising in the windings up of
the above companies. Any creditor who winders to
appear or be represented at the hearing of the
applications, Lovell White Desires, as of Roborn
Vialuce, Lordon ECIA, 20V, quoting reference
ELMHEDAG. The applications with he beard
lowers with a 2-pun, at Room 412. Thomas
lower Building. Royal Courts of Justice, Strand,
Lowers WIVA II.

More Building, Royal Courts of Jo London WC2A 2LL

AIDEN CHEMICAL LINITED (NE CHEDWICK VARIONALE LANGUAGES)

MOTICE I VERSHI GARINTON the products of the above animal company are experted on or before the 15th April 19th to read the name and advance, when produces or the first and dalam to the revision of the latest and dalam to the revision of the first and dalam to the revision, and it is required by tenter to religious flower, 18th Cay Road, Louise ECT New Howlings flags the impositor without personal to the first the strike and place as that he precision as the first and the control of the product of the first and the control flag will be precised as not the protect of the product of the control of the product of the control of the product of the control of the product o Dated 11 March 1996

N H COOPER Designation

### **AC CARS LIMITED AUTOKRAFT LIMITED** (Both in Administrative Receivership)

The business and assets of the oldest surviving British Car Manufacturer are for sale as a consequence of receivership.

Manufacturer of the AC Cobra and AC Ace

hand built sports cars . . .

Design and prototyping facilities

 Préstigious 90,000 soft freehold premises at Brooklands, Weybridge, Surrey

Approximately 80 highly skilled craftsmen

For further information please contact: Michael Gercke Price Waterhouse. No1 London Bridge, London SE1 90L.

Tel: 0171 939 5736, Fax: 0171 939 4173. Price Waterhouse

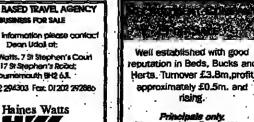
This advertisement has been approved by Price Waterhouse, a firm authorised to corry on investment business by the institute of Chartered Accountants in England and Wales.

FOR SALE Established Property Company

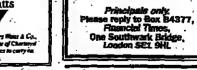
High Income Producing Freehold Shops and Offices National/PLC Tenants on Traditional Leases (20 years unexpired)

Tax Losses Available (Closing date for expression of interest - 31st March 1996) Teace write to:Box B4362, Financial Times, One Southwark Bridge, London SEI 9HT

DORSET BASED TRAVEL AGENCY for further information please contact Haines Watts. 7 St Stephen's Court 15/17 St Stephen's Road Tel: 01202 294303 Fest: 01202 292886







BUSINESSES

WANTED

Manufacturer Wanted

rising.

COMPANY NOTICES

SPANISH 4% EXTERNAL LOAN The compare rise 1st April 1996 may be presented for payment at Banco Retenor de Espata S.A.

1-4 Great Tower Street, London BC3R SAR

London 15/3/96

Seeking migr. to market & build under US patent license, "Kar-Kool", uses no freen or psoline. Keep vehicle cool white parked & in transit, low tooling costs. Ideal for hot arid climate USD \$10K, Non-exclusive USD \$100K, Exclusive Call USA 602-235-2218

# KENT

# Where Europe begins

The last English county seen from Channel Tunnel trains is trying to end its backwater image. But its efforts have a long way to go, writes William Lewis

he husiness leaders of Kent are seeking a radical change in their county's image as a sleepy economic backwater.

Kent is known affectionately as "the garden of England". But it has the potential "to be the front garden of the UK facing the rest of Europe," says Mr Jon Barrett, head of inward investment at the Kent Enterprise Office, based in Chatham and the agency responsible for belping companies relocate to

Mr Tim Byles, Kent County Council's director of economic development, agrees. He says that "Kent is not the end of England, it is the beginning of Europe".

Concern that this image is not being communicated to potential investors led Kent business leaders to call on Sir John Harvey-Jones, former chairman of ICI and now a well known business troubleshooter, for his views.

Sir John did not mince his words. Speaking at a conference in Folkestone in Novemher, he said: "There is a total lack of cohesiveness in Kent and Kent's approach to the problems it is facing."

What Kent needs "above everything" is "a clarity of vision and one person very clearly carrying the banner for the county". He said that the county needs a "Mr Kent" to lead its new identity drive and

encourage investment. Sir John advised business leaders to do "everything possible to cet Kent to concentrate. over a number of years, on building up its identity and

develop a slogan - perhaps

as well a logo to be used by every Kent husiness. He also suggested the amalgamation of some of the agencles responsible for marketing Kent under the name "Kent in Front".

Most important of all. Sir John said, was the need for "an absolutely clear cobesive effort, where strategists, the development agencies. enterprise council and everyone else are all in one room, promoting overall economic development together".

Sir John's message is one that the county's husiness leaders appear to be taking to heart. Later this year Kent County Council and Kent Training and Enterprise Council (Tec) will be announcing new initiatives which should belp bring closer together the agencies involved in the county's husiness

There is also to be a shake up at the Kent Enterprise Office, which is to be renamed Invest in Kent. "We are talking about a change in the way we do things in Kent, some of which is already under way." says Mr Byles. He wants to encourage the county to focus on 10 to 12 core sectors and develop cross-sector initiatives to hoost economic growth. "We want a more co-ordinated approach to belp overcome structural weaknesses," he

As part of its attempt to euter the Europeau mainstream. Kent has established a relationship with the Regional Council of Nord-Pas de Calais. The aim has been for the two areas -Kent with its 1.5m people and Nord-Pas de Calais with about four times as many people - to be considered as a Euro-region. While analysts say that Kent

has been able to obtain some additional economic development funding by promoting this transborder or Trans Manche - concept. the link up has caused some confusion for inward investors. As a result, in the early stages of inward investment meetings the KEO iotroduces clear

Confusion about the size and shape of the county of Kent is likely to be increased when the Medway area splits off to become a separate unitary local outbority and as the IIK government's Thames Gateway

Nevertheless there are clear benefits to Kent from its French link up. Following the completion of its first transfrontier programme under the European Union's Interreg initiative. Kent was allocated 214m for a new interreg 2 programme for joint transfrontler projects with Nord-Pas de Calais.

The aim of Interreg is to

assist horder regions to overcome problems of isolation at a national level and develop co-operation across national borders. Although the initiative will focus mainly on the areas on each side of the border, there are also a number of projects being developed across the county by public, private and voluntary sector bodies. If approved these projects can attract up to 50 per cent funding from the EU.

here are also a number of other European funding initiatives. For example Thanet, an area of industrial decline and high unemployment in sonth east Kent, is eligible for Objective 2 status, which enables £11m of EU structural funds to he drawo down for training

Grants and financial assistance from the UK government are also available to companies, though mostly in the east of the county.

in July 1993 the area was granted assisted area status. with Thanet classified as a full development area and the districts of Dover. Swale and Shepway granted intermediate status. Designation as a full development area means that Thanet has been able to attract higher levels of grants.

Kent County Council says it has "fought long and hard to persuade government that the bas deep seated

Other regions claim to be

close to Europe.

We just smile.

The completion of the Channel Tunnel means the world's most lucrative market place is just half an

hour away by train. At least for those of us based in Kent.

Now, with a superb fixed link into Europe, the challenge is there for all British companies to get

through that tunnel and exploit massive new business opportunities.

For the Single European Market, there's no region in Britain better placed than the County of Kent

- and yet it's still right on London's doorstep.

And if that's not enough, parts of Kent offer the most generous range of financial incentives

anywhere in South East England.

If that sounds like the right environment for developing European business, call Kent Enterprise

Office today and find out more about a free, highly comprehensive relocation advisory service.

Kent Enterprise Office, Mountbatten House, 28 Military Road, Chatham, Kent ME4 4JE

Telephone 01634 840111 Fax 01634 826575

You couldn't be better placed

economic problems" and is glad that its case is heing recognised. The assisted area status was granted for three years and is up for renewal this year. Mr Mike Glennon. the KEO's marketing services manager, says that he would be "amazed" if the government

did not renew it. in the last three years the KEO has been kept husy with more than 1,000 enquiries each year, hut it has not met joh creation targets. As a result consultants have advised that it re-focus its efforts on new investment into Kent by UK or foreign owned companies rather than seek relocations of UK companies.

Last month's announcement by the government of the consortium chosen to build the high speed Channel tunnel rail link should help attract investment into Kent.

The £3bn contract was awarded to the London & Continental Railways consortium and its high-speed link will have two purpose-built stations in Kent. one in Ebbsfleet, where plans to huild a new town were recently unveiled by Blue Circle Industries, and a second at Ashford.

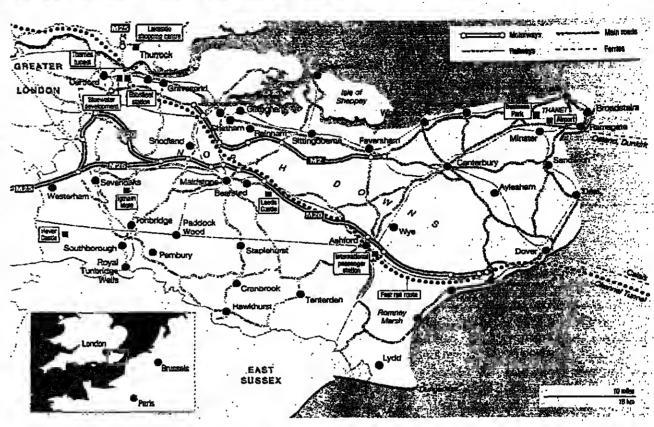
investments may not be enough to overcome Kent's structural problems. Even though its economy is forecast to grow at an annual rate of 2-3 per cent over the next 10 years. it is spread evenly across manufacturing and service industries. For example, there are hig

differences between regions of Kent, with unemployment rates well above the national average in some areas. There is also a belief that Kent's economy is too reliant on a small number of large companies.

The on-going battle between Eurotunnel, the crisis-hit operator of the Channel tunnel, and the ferries, could also have a damaging effect in Kent this year, Eurotunnel is negotiating with its banks to ensure its survival and the ferries are likely soon to have to contemplate reducing their



Leads Castle, near Maidstone: one of the treasures of England in a county whose rich heritage is insuffic



operations, perhaps through

Kent husinesses are also concerned about the local labour market. Some complain at the lack of a strong relationship hetween companies and the county's educational institutes.

According to a recent economic study on Kent. London continues to provide

employment for a significant part of Kent's 605,900-strong working population. Just under 100,000 Kent residents commute to London, mostly from the north and west of the county along the principal road and rail routes.

Business leaders fear that privatisation of the rail network could hit Kent, with the quality of rolling stock currently in use described as poor. The shortage of high quality business premises is also seen as a constraint on inward investment In particular, there is a gap

in the provision of specialised husiness incubator and science park developments almed at small and medlum sized technology-based companies. Kent's attempt to establish itself as Europe's front garden is vitally important not just for the county, but also for the rest of the UK.

If Kent failed to assert its identity clearly in Europe, it would be to the detriment of the UK as a whole, said Sir John. The county should therefore remember that it was fighting not just for itself but the whole country.

■ THE EXPANDING INFRASTRUCTURE: by William Lewis

# and, sea and in the air

stimulated huge capital spending

Kent expects a stormy summer in the market for cross-Channel travel due to the increasingly hitter fight between the ferry companies and Eurotunnel, the troubled operator

of the Channel Tunnel. With Eurotunnel in negotiations with its 225 banks over the repayment of £8bn of debt, and P&O and Stena-Sealink, the two main ferry companies, resisting strong commercial logic to merge or trim their cross-channel operations, the only certain outcome appears to be that more jobs are going to be lost in Kent.

Transport, distribution and infrastructure are crucial economic sectors for Kent. For example, the distribution sector employs 22,000 employees -4 per cent of the total - a figure which more than doubles if transport is included.

Kent Port Strategy, a comprehensive study into the future of Kent Ports agreed by the ferries and Eurotunnel in collaboration with Kent County Council, suggests three possible scenarios in the cross channel battle, all of which involve "disequilibrium" in the cross channel market at least until 2000:

 Eurotunnel's Le Shuttle service will capture about half of the total car passenger market. This would leave the ferry operators "almost hereft of traffic except during the peak summer season". Only a "residual" Dover-Calais ferry operation would survive.

 Eurotunnel will capture about 35 per cent of the total market, with the ferry operators taking a similar share The speed advantage of the tunnel will be offset hy other factors, for example the ferries' superior on-board facilities. Eurotunnel's market share will

be reduced to 25 per cent. All three senarios have implications which "are very serious indeed" for the Kent economy, the report states. The first implies "the virtual extinction" of Kent's port and ferry industry. The third implies the "commercial collapse of Eurotunnel plc and the refinancing of the tunnel". The predicted fall-out for

Kent from the battle between the ferries and the Eurotunnel comes after a period during which port related employment has already suffered.

ment in the port industry -1,300 jobs. Another 1,060 are expected to go hetween 1993 and 1996. Net employment loss in Kent port districts from 1991 to 1996 is expected to total

3,000 jobs. Last September, Eurotumnel suspended the payment of interest on its £6bn deht, in an arrangement known as stand still Recently It said that a. French court had appointed two individuals, one of whom is Lord Wakeham, former UK energy secretary, to try to

resolve its financial crisis. The Anglo-French company has begun to shift its pricing

The ferry companies' share may diminish

strategy from charging a higher price for a premium service to one which seeks to maximise passenger levels - "a ferry company operating under the sea" as one analyst describes it.

The ferries have met Eurotunnel's challenge with what City analysts describe as bizarre tactics - increasing their capacity. According to the Dover Harbour Board, the trust hody which is responsible for Dover Port, there are now

more than 80 crossings a day. In spite of Eurotunnel pleadings, there are few signs of the ferries moving towards rationalisation. Lord Starling of Plaistow, chairman of P&O. recently said that if the cross channel market continues to grow at 20 per cent a year as in

endure the short-term impact on ferry profits this year. "The interesting thing will be to wait until the end of 1996," said Lord Sterling. However, if the price war

intensifies and the tunnel continues to take more market share, City analysts expect P&O to ask the government to In the run up to the opening

of the tunnel, the ferry companies undertook certain rationalisation measures. Some routes, such as Dover-Boulogne, have closed, leading to significant job losses. Predicted further reductions in capacity "will lead to additional loss of port and ferry employment," the report states.

Mr Bill Fawcus, a Dover Harhour Board executive, is open minded about the outcome of the ferry-Eurotunnel battle. He predicts a "balancing out"; in the cross channel market, but says "tt is difficult to say what form that will take".

He predicts "further growth" in passenger traffic and says there will be at least 17.8m passengers in 1996.

Nevertheless, there are signs that the trust is preparing for a future in which the ferries are smaller players. Dover Harbour Board is diversifying into areas such as property development and cruises.

Elsewhere the news on infrastructure development is more positive. Two weeks ago, the government announced the long-delayed go-ahead to build a high-speed rail link between London and the Channel Tunnel entrance.

The £3hn contract was

It will take over the European Passenger Services from the government and plans a stock market flotation of London &Continental in the second half of 1997 to coincide with the start of construction. The high-speed link will have two stations in Kent, in Ehbsfleet, where plans to huild a new town were recently unveiled by Blue Circle Industries, and

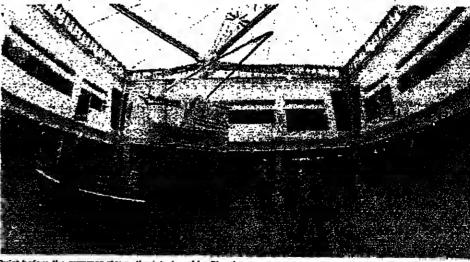
in Ashford Construction of the tunnel rail link has five main components, each accounting for about a fifth of the total capital cost of £3hn, before inflation. Three of them should substantially boost Kent's construction industry. For example, construction of the rail link will necessitate about 70km of track passing through Kent to the coast, involving construction of a railway viaduct over the River Medway and 3.2km of

The recent opening of the international passenger station in Ashford means that ahead of the high-speed link passen-gers boarding there can reach Paris on the Eurostar Channel tunnel route in two hours and Brussels in two and a quarter

tunnelling.

Mr Anthony Slack, Ashford Borough Council's planning officer and deputy chief executive, argues that Ashford could now experience a "Gatwick or Heathrow" effect, by attracting businesses to relocate to lts vicinity on the back of its excellent European and UK communication links. Near Ashford are three key

development sites - Eureka Science and Business Park, Orbital Park and Waterbrook



From 1991 to 1993 there was Quiet before the summer storm: the interior of Le Shuttle passenger terminal at

The Chunnel has a 16 per cent decline in employ-1995 P&O would probably

# Key areas are targeted Training and Enterprise Coun-cll (Tec) and have published a

wide ranging and comprehen-

sive draft report called Kent

Prospects, question whether

this growth rate is enough to

overcome Kent's fundamental

whether growth rates of this

sort will be sufficient to rectify

structural weaknesses in the

Kent economy and enable it to

'catch up' with rest of the

South East region as a whole,"

The critical question is

economic problems.

New jobs are sprouting, but underlying weaknesses remain unresolved

# 15 :986

AND WHEN YOUR THE

SWIFT IN LAW.

4.45% - 4.45%

京 ながら こうか E STATES TO THE TALE

From Track.

A CONTRACTOR OF THE PARTY OF TH

CONTRACTOR OF THE PARTY

38.75

All Line and the

in the same of the last

Marie Sand

1945 - 222 - 27, 779 - 7

The second section is a second

ses US

Baker in in Albert de Mett

\$ \$3 at 1 at 27 to 20 C to 27 app.

State of the second

###### . .1-7/ \_0.1

erent of the state

4.74

10.00

G.

A Section # 5 ta. .

 $g_{\mathbf{k}} = \mathbb{C}^{k_{\mathbf{k}}} \omega^{k_{\mathbf{k}}}$ 

23

\*\*\*

(m) - 19 's

32.45

820

10 - 2 × 2

A ....  $\varphi^{(M_n)}$ 

3-7-

, <sub>(2</sub>, 1, 4)

 $(a_{ij})^{2}/\alpha$ 

調 OT Min in it stage: 🆠

Section 5

1 m

Kent appears to have a rosy economic future. Experts forecast annual growth of 2-3 per cent over the next 10 years, spread evenly across manufacturing and service industries. Ernst & Young, the accoun-

tancy firm, and Business Strategies, a consultancy, also predict a rise in employment. albeit at a slower rate - 1 per cent per annum. This should lead to the creation of 33,000 jobs between 1995 and 2000 and a further 19,000 jobs in the six years to 2006. If things go according to

plan, hy 2006 total employment in Kent will have risen to cent

However, the consultants, , who were commissioned by Kent County Council and Kent

tracted more slowly. 673,200. Manufacturing as a percentage of gross domestic product will have increased from 18.7 per cent to 23.3 per

the Kent Prospects report During the boom years of the 1980s Kent's economy expanded more rapidly than the South East region as a whole, with growth averaging approximately 5 per cent a year. During the recession in the early 1990s Kent's economy con-

> However, Kent Prospects billed by Kent County Council as the first study of its kind in the UK, identifies a number of "fundamental weaknesses": the county of Kent has the

> second lowest GDP per capita within the South East region;

Kent's economy is structur-

concentration of jobs in declining manufacturing industries and a smaller percentage in services than the rest of the South East.

• there are "pronounced dis-parities in well-being" between different regions within the county. Unemployment rates are well above the national average in some areas.

North and east Kent have been seriously affected by the declina of traditional industries. Approximately 80 per cant of Kent's unemployed total of 58,000 - 7.8 per cent of the workforce - are concentrated in these areas.

in terms of employment distribution, the Kent industrial structure stands as follows: banking and finance 10 per cent; transport and communications 9 per cent; distribution, hotels and catering 22 per cent; construction 6 per cent: manufacturing 17 per cent; primary sector 5 per cent; and other services 31 per cent.

Another issue is the reliance of Kent's economy on a small number of large companies. Ernst & Young and Business

tance of "adopting defensive measures to ensure that existing investment stays in place" and so that the negative effects on Kent of any possible restructuring are minimised.

The dangers are clear. Kent has a strong pharmaceuticals sector which employs 9,000 people - 1.8 per cent of the workforce. It is seen by Kent County Council as one of the most important sectors.

However, eight companies account for 80 per cent of jobs in the sector and there have been job losses in Kent as a result of the recent pharmaceutical industry global restruct-

For example, Glaxo's \$9.1bn take over of Wellcome in March 1995 led to the closure of Wellcome's pharmaceuticals research and development centre in Beckenham where it employed more than 1,600 staff. The company has said that an outright sale to another big research and developmentbased multinational might be possible, as might the creation of a science park or homes.

However, according to Mr

Brighter prospects: speculative office buildings at King's Hill, Wast Malling

Stephen Mallen, head of research at Knight Frank and Rutley, the commercial property agency, such possibilities look far fetched.

Mr Tim Byles, director of economic development at Keot County Council, says that Kent Prospects grew out of an earlier study into the future of the county's ports. Mr Byles says that Kent County Council was able to persuade Kent's arch

rivals - the ferry companies and Eurotunnel. tbe Anglo-French operator of the Channel tunnel - to agree to a 295 page report which detailed

a strategy for Kent's ports. Having achieved what many saw as the impossible task of persuading the ferry companies and Eurotunnel to reach agreement, the council, with Kent Tec, commissioned a study on the Kent economy as

whole. Its aim is to bring together the public and private sectors to agree a strategy until 2006.

A draft report, currently out for consultation, recommends focusing economic development strategy on 10 to 12 key sectors, including pharmaceuticals. They include:

• Transport. Rail, road, sea and air transport account for

34,000 jobs, 6.5 per cent of Kent's total workforce. The health of this sector is largely reliant on the future of Eurotunnel as well as possible retrenchment by the ferries. Food Processing. This sec tor employs 4,000 people - 1 per cent of the work force -but that is a relatively low proportion compared with the rest of the South East and the UK as a whole. Forecasts are for the sector to continua to contract over the next five years in spite of potential synergies with Kent's agricultural sector. · Construction. The hullding of the channel tunnel created about 8,000 jobs, raising the total of construction workers to more than 20,000, or 3.5 per cent of the workforce. With the tunnel completed, the hope is for job losses to be minimised due to the construction of the high speed rail link across Kent and other developments.

With 30 per cent of the predicted new jobs in Kent likely to come through self-employed businesses, Mr Byles argues that Kent "needs systems to develop these husinesses". That will require "public and private bodies all pulling in the same direction in Kent - a tough prospect, but one that is already beginning," he says.

HIGHER EDUCATION: by William Lewis

# The superstructure is top-heavy

Kent has more than its fair share of administrators but surprisingly few students

Professor John Craven, deputy vice chancellor of the University of Kent, sits in his office in Canterbury and ponders one of the county's more bizarre ironies.

According to a University of Kent study, there are 16 bodies in Kent, excluding higher and further education institutes, involved in education and training in Kent. They range from Kent Tec to Kent Enterprise Office and Kent Rural Community Council

For the county more appears to equal less. Kent has a population of 1.5m. but just 15,000 students at five education institutes - including the University of Kent - plus the proportion of the University of

who attend locations in Kent. In contrast, Avon, which has a population of 925,000, has four institutions with a total of 37,000 students. Professor Craven says that in spite of the "support of so many bodies" Kent is "underprovided

for higher education". Professor Craven says the University of Kent would like to expand into the Medway, which has been identified as an area in which there is "extreme underprovision". He says "if we could expand that would be our highest priority" but that "we are extremely unlikely to get the funding in

the present climate". He also points to a recent report published by the university which states that a reduction in the number of organisations which are involved with the university "would enable us, and no doubt others, to direct their efforts in the most effective

that its "direct and indirect economic impact in Kent" exceeds £100m of expenditure, representing 2,400 jobs. The university's turnover is £60m. it employes 1,700 people and has 7,000 full time equivalent

students at Canterbury. It also argues that its 900

Local firms badly need more qualified young people

students from the rest of the European Union and another 900 from outside the EU contribute £13m to the UK's invisfile exports through fees and living costs.

One site is Chancer College, the UK campus of a Japanese educational institute at which Japanese students study. A £40m investment, the college was opened in October 1992 with the motto "world peace through education". Some of the courses are accredited by tha university.

The university also works closely with companies in several of Kent's key sectors. For example, Pfizer, the pharmacentical company which has a research and development operation in Sandwich, bas provided support for medical statistics research.

However, businesses do have real concerns about training and education in Kent. Consultants commissioned by Kent County Council and

Kent Tec in a report called Kent Prospects highlighted lahour force skills as one of the concerns of Kent firms". The consultants suggest a

strategy which would strengthen "linkages between Kent's universities and research and development establishments and local industries". An executive at a lishments and local industry

Kent based subsidiary of a prominent public company complains at the lack of cohesion between all the bodies involved in edocation in the

Kent Prospects concluded that high priority should be given to strengthening links between Kent universities and local industry. Consultants found only "weak mechanisms for promoting collaboration and knowledge transfer between the University of Kent and the county's busl-

ness sector". The university itself claims that its links with three sectors - high tech engineering, pharmaceuticals and business services and communications - are crucial to attracting company investment, but Kent

Prospects argues that these need to be further developed. It states that links between "the University of Greenwich and other educational estab-

are better but nevertheless still underdeveloped".

The University of Greenwich

has a total of 17,000 students on 24 different sites. Mr Jon Kitto, tha university's operations and marketing director, wants to encourage Kent-based companies to pay for top quality training but says that too often they are prepared to sacrifice quality for lower cost. There is definitely not a problem with business services such as training being available in Kent," be says. "It is a marketing problem, with husinesses not being fully aware of the potential

benefits to them." Wye college is the third of Kent's university tier institutions. A specialist branch of the University of London, It attracts around 2,000 students from more than 100 countries, concentrating on the production and distribution of food, environmental management



# Empty quarter seeks a better tomorrow

With tourism declining, the area is trying to attract new kinds of business by investing in its infrastructure

THANET: by Stewart Dalby

Thanet, the coastal strip in architecture in the town but north-east Kent embracing the three resort towns of Margate, Ramsgate and Broadstairs, has known better days, and it

One of the main streets in Ramsgate is largely boarded up. There is some fina regency

much of it looks as if it could do with a scrub and a lick of paint. In Margate, there are charity shops where one might expect to see well known high

The whola conurbation, which has a population of

127,000, has never fully recov-ered from the decline of tourism, which was once its leading industry. Like other similar UK resort areas, Thanet has been affected by changing tastes in holidays with more and more people choosing a flight to Spain or somewhere else in the sun.

There are still plenty of day trippers. But the hotel and guest housa business has largely shrivelled away. In 1993, the last year for which figures are available, the Thanet area had only 600,000 overnight guests, about half the number staying at its hotels a decade earlier.

However, there are signs thet the area's fortunes could he about to improve. In 1993. Thanet became the only area in the south-east to be awarded full development status. This means private companies can set up or expand with the aid of regional selective assistance unting to 25 per cent of their costs.

Later in the same year the UK government agreed to give Thanet £9m from its overall budget for infrastructural

"Objective Two" status by the EU, defining it as an area of industrial decline. This qualified it for a further £11m worth of investment over a three year period. For almost the first time since the 1950s, therefore, the area has some cash available to refuel its economy.

Most important perhaps, the government and Kent County Council have embarked on a large road building pro-

The A299, known as the Thanet Way, has been wideoed, and the last stretch of "dualling" will be completed this year. This will provide a double carriageway road all the way to the port of Ramsgate. with its range of cross-channel and other services, from the end of the M2 motorway just outside Canterbury. Until recently the Thanet Way was seen by lorry drivers as an obstacia course rather than as

With road access improving. Thanet district council has adopted a three pronged strategy to revive the area's fortunes. It aims to: · encourage the growth of small businesses able to taka

a main highway.

Mr David Ralls, the district

council's chief executive, says: "The prospects bave brightened considerably for Thanet over the past year.
"Because of the assistance we have been able to create 700

opment status and the avail-

developed industrial estates.

ability of grants;

· rebuild tourism;

new johs. Unemployment is down to 13.5 per cent. This is still well ahove the national average but is the lowest for the area for years." As for tourism, it was

recently announced that Dreamland, the theme park in Margate, is to be refurhished at a cost of £5.5m. This, says Mr Ralls, would be the largest singie investment in Margate for more than a decade. At Ramsgate, meanwhile,

there are plans to build a hobday village at nearby Pegwell Bay. It also has a functioning port, which handles 3m passen-gers a year travelling to and from France and Belgium. So far, Ramsgate has not suffered unduly from the opening of the Channel Tunnel.

There are also plans to use some of the European assis-

tance money to expand Ramsgate port on reclaimed land, enabling it to receive cruise attract investors to newly liners, which are seen as a good growth business for the south coast. Dover, too, has built a cruise terminal at a cost

> Mr Ralls says be is particularly proud that be bas been able to secure a new industrial park called Thanet Reach. Details were announced earlier this year.

of film which is due to open

Thanet Reach is distinct from the Kent International Business Park, on a 100 acre site adjacent to the Kent International Airport, the former RAF Manston, which is now used primarily for air-freight services to the former Soviet

The Kent International Business Park is ideal for heavy industrial and distribution companies and already has a German engineering concern, Cohline, operating from it. With its good road access. Thanet Reach aims to attract small and medium sized high technology companies. Mr Ralls says that this sector, a good potential source of new jobs, is

# Go to work on an œuf

Folkestone is a cracking place to relocate; for doing business in France and the rest of Europe.

With immediate access to the Channel Tunnel, and the new Eurostar International Passenger Station only minutes away, you can be securing new business on the continent leaving your competitors with egg on their faces.

For your essential information pack, including available relocation grants, shell out on a phone call to Simon Reynolds on 01303 852383.



Economic Development Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY

CASE STUDY Cochike of Gillingham

Fire detectors warm up

It has been a low-key, rather than spectacular, arrival in the UK for Hochiki, one of Japan's biggest makers of fire commercial premises.

The company has had a manufacturing base in Gillingham for the past three years and reports steady ... progress in building up sales which are now running at about £7m a year.

"We are gradually building op the percentage of locally made components in our final products," said Mr Masaki Koatoh, the company's marketing manager for Europe. "It has not been difficult, but neither has it

been easy." Hochiki, which employs 60 people in Gillingham and manufactures there for the whole of the European market, obtains locally for its Kent-mada products some 70 per cent of the products' components by value - a figure that has grown steadily since the factory was started. It sells mainly through distributors or companies which market complete factory security systems such as Chubb.

Hochiki is one of three Japanese-owned manufacturers to set up in recent years in Gillingham. the others being packaging supplier Fuji Seal and printer ribbon manufacturer Fuii Copian. It says it is interested in expanding its 2.8 acre site but has yet given no details.

The company's decision to make its £2.5m investment in Kent came about, it says, after carefully weighing up tha good and bad points of establishing itself in the UK. The decision was swayed

partly by the generally good experiences of other Japanese owned manufacturers in starting UK factories over the past decade, and by the importance of the UK market (which accounts for some 50 per cent of Hochiki's European sales). The

relatively low taxes in the UK compared with other parts of Europe and low labour costs were also a factor. However, before choosing Kent the company weighed up

alternative sites in the Manchester region and south Wales. According to Hochiki, it plumped for the south-east mainly because Kent offered a site closer to most of the company's main customers which are predominantly south of Birmingham and despite the fact that land

costs were somewhat higher

government grants available to defray start-up costs.

Kent also offered some financial inducements, in the form of enterprise zone capital allowances which enabled the company to take early depreciation of capital costs, reducing the tax burden in the first few years of

However, the company admits to one disappointment the ease of access to continental customers has been less than it hoped, mainly because of the unexpectedly high levels of traffic congestion on local motorways, mainly the M25, which has meant it takes much longer to drive to Heathrow or Gatwick airports than the company expected when it first moved in.

Peter Marsh



closer look

Market State of the State of th

Maria Mention

At first glance Swale's Alocational advantages are

The nearest Assisted Area

 Fast, easy access to London and the Channel ports via

the motorway network.

 Direct access to Europe and beyond from the port

A range of competitively

An attractive semi-rural

opportunities in Swale, contact

Peter Jolley or Stephen Fleet at:

Swale Borough Council

Economic Development Unit

East Street, Sittingbourne.

Kent ME10 3HT

Telephone: +44 (0)1795 417398

Fax: +14 (0:1795 +17217

priced sites and premises.

ndeniable:

to London.

of Sheerness.

For a closer look at the

# White cliffs stay British

Alarmist talk of a sell-out to the French masks fears of job cuts through

privatisation Dover, England's oearest port to Europe, shot into the beadlines last year when reports spread that its harbour might be taken over by the port of Calais on the French side of the Channel.

The spirit of Dunkirk was evoked as Dover's Lahour mayor, Mr Jimmy Hood, launched a campaign to keeep Dover English. He elicited statements of sympathy from Queen Elizabeth, the Queen

Mother, and Dame Vera Lynn. The fuss was somewhat misplaced, bowever, as the prospect of a Freuch takeover was so tenuous as to be non-exis-

Its only basis had been the statement of the then transport minister, Mr Brian Mawhinney, that the ports of Teesside, Dover and lpswich, in which the Government had a stake, should be privatised.

The Calais chamber of commerce, which owns the French port, thereupon said that if that happened, it would consider buying Dover or at least joining Dover's current board in a management huy-out. Far less attention was paid to the statement by P&O, one of the two large ferry operators working from Dover, that it too might bld for Dover port, were

it privatised. In the meantime, however, the impetus for a Government sell-off slackened because of a fall in the port's notional value as measured by a Government yardstick for evaluating nonquoted companies.

Falling profitability has been caused by the fierce price war among ferry companies as they have competed against the channel tunnel.

Although volumes on the ferries have risen, the port had cut its handling charges, lowering its profitability.

Mr Jonathan Slogget, Dover harhour board's managing successfully director. demanded a two year postponement of privatisation to assess the full impact of the tunnel.

Sir George Young, who succeeded Mr Mawhinney as transport minister, gave the port until September 1997 to come up with a privatisation

What the uproar about French control really showed was the strength of opposition in Dover's Labour-dominated council to any sale of the port. even to British buyers.

The council particularly feared that privatisation would raise unemployment, since the port undergins 7,000-8,000 jobs in the Dover area. The past year has already seen lay-offs hy the ferry operators, reducing the number of people employed directly tn the harbour from 1,000 two years ago to around 600. It was feared that selling the harbour would result in even more jobs

Dover's 9 per cent unemployment rate is already above the national average. The town is trying to create altarnative jobs in various ways, such as the White Cliffs Experience centre, an

entertainment

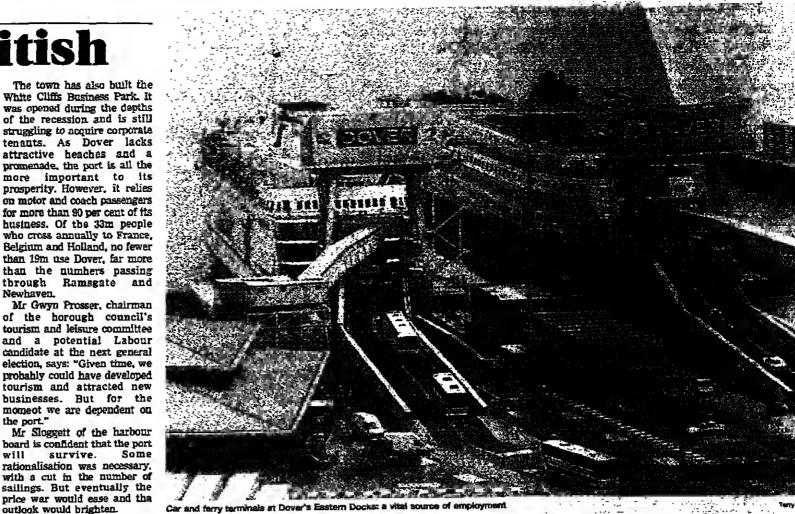
heing lost.

information complex. But the centre had only 185,638 visitors in 1993, the last year for which there are figures. Dover, Castle, one of the best preserved Norman strongholds on the south coast, had 300,000 visitors, compared with Canterbury Cathedral's 2.3m

The town has also built the White Cliffs Business Park. It was opened during the depths of the recession and is still struggling to acquire corporate tenauts. As Dover lacks attractive heaches and a promenade, the port is all the more important to its prosperity. However, it relies on motor and coach passengers for more than 90 per cent of its husiness. Of the 33m people who cross annually to France, Belgium and Holland, no fewer than 19m use Dover, far more than the numbers passing

Newhaven. Mr Gwyn Prosser, chairman of the horough council's tourism and leisure committee and a potential Labour candidate at the next general election, says: "Given time, we probably could have developed tourism and attracted new businesses. But for the momeot we are dependent on

Mr Sloggett of the harbour board is confident that the port survive. Some rationalisation was necessary. with a cut in the number of sailings. But eventually the price war would ease and tha outlook would brighten.



■ THE BLUEWATER DEVELOPMENT: by Stewart Dalby

■ GILLINGHAM AND ROCHESTER: by Stewart Dalby

A new joint local authority will have greater muscle

The closure of the Royal Naval Dockyard at Chatham in 1985 was a decisive moment for the boroughs of Rochester (which includes Chatham) and Gilling-

Another will occur in the next year or so when they are combined into a unitary authority, likely to be called Medway.

The closure of the dockyard had a traumatic impact: it employed 7.300 people and was Rochester's biggest single industrial employer.

Being quite close to London and therefore in the radius of the so-called prosperous southeast, Rochester had until then felt sheltered from the brutal closures which had devastated coal and steel towns in the north of England, Scotland or Wales. To make matters worse, the dockyard closed just when other employers in the Medway area, such as GEC, were also contracting.

Unemployment shot up to 18.7 per cent, almost double the south-east average, and the Medway area hegan thinking about how it could survive without all the graots and assistance available in older. industrial areas experiencing industrial decline.

One way is to merge Rochester and Gillingham thereby increasing their political clout in the scramhla for jobs.

contain a population of 250,000. almost 20 per cent of the wbole of Kent, making it one of the higgest south-east conurbations outside London. It will have more money to spend once it takes responsibility for education and social services from Kent County Council. It will also be responsible for roads and infrastructure, another important factor in luring investors. From 1935 to

Continued from Page I

parts of the county.

In total there are more than

300 industrial estates and busi-

ness parks in Kent, with 70 per

cent of the land located in

north and east Kent. A recent

property survey suggested significant fluctuations in

demand levels in different

Kent is served by four motor-

ways - M20, M2, M26 and M25,

London's orbital motorway.

Ahead of the opening of the

Channel tunnel there were a

number of improvements,

including a £95m widening of

the M20 around Maidstone

which was completed in 1994.

claims that in the last three

Kent Enterprise Office

1990 the Rochester-Chatham area had considerable success in attracting new companies. When the dockvard closed, the site was broken into three. About 120 acres of land plus 20 acres of water were transferred to a port trust, eventually

becoming part of Medway Ports, which also has facilities at nearby Sheerness. After a management buy-out, Medway Ports was taken over by the Mersey Docks and Harbour Company, under which it seems to be doing well. Another 80 acres became the

Chatham Historic Dockyard, a museum and visitor centre on the lines of the Portsmouth historic dockyard. It attracts around 120,000 visitors a year but, although It is proving quite popular, it needs more money to maintain some 50

ancient monuments and listed huildings. The third area, covering 350

of the original 600 acres, has been earmarked as a husiness park and integrated housing and retail estate, to he called Chatham Maritime.

husiness estate in the future Medway region, which will embrace Rochester, Strood, Chatham, Gillingham and Rainham. But Chatham Maritime is centrally situated and its success could belp similar

ventures in the vicinity. English Partnerships, the government backed developer previously known as English Estates, hegan seeking investors as soon as the

years the county has received

more government investment

for road improvements than

any other county. Planned

infrastructure projects include

a £48m scheme to widen the M2, and a £180m scheme which

includes a road tunnel under

The KEO also highlights the

sophistication of the county's

distribution and warehousing

activities. Mr Mike Glennon,

KEO's marketing manager,

says that many manufacturers

needing to distribute their

goods quickly in the UK and

Europe have set up facilities in

There are, however, clear

deficiencies in Kent's infra- a result of privatisation.

the River Medway.

Kent.

Infrastructure spending

dockyard closed. It was helped by the fact that part of estate bousing offices and factories were made

government-assisted enterprise zone, enjoying relief on rates and taxes as Incentives for developers

In the five years to 1990. 1,000 new husinesses came to the grea if one includes expansion of existing companies such as GEC Marconi Avionica, new start-ups and inward investors.

Chatham Maritime attracted well known concerns such as Black Horse Financial Services, Lloyds Bank and the natural resources arm of the government's Overseas Development Agency. Some 4.000 jobs have been created.

The recession slowed this growth, hut developers have started to build the first of 1,500 bouses on St Mary's Island, part of Chatham Maritime, and bope to attract

The weakness of Chatham Maritime is its poor road access. Lika Gravesend the dockvard was primarily concerned with its accessibility from the sea. Now that the land has been put to alternative use, lorries and cars have to approach hy narrow and congested local

The situation was to have been eased hy a northern link road, including a tunnel under the River Medway, to connect Gillingham, the Chatham peninsula and Rochester. The year, hut the road scheme has been deferred.

The county council, which still has responsibility for road planning, has said that the Ministry of Transport had only allowed it sufficient funds for one important road scheme and that the Medway link road would therefore have to wait. Hence Rochester's impatience for the new authority to he formed as soon as possible.

structure. Consultants commis-

sioned by Kent County Council

and Kent Tec. in a report

called Kent Prospects, have

o poor North-Sonth road links

as well as poor local access to

shortages of high quality

This last point is particularly

important and economists

stress that future strategy

should focus on lobbying for

an upgrading of the county's

rail links and rolling stock, as

well as against line closures as

lack of a sizeable airport;

major roads:

o poor rail links.

premises;

identified four main weak-

# New rival to high street shops

One of Britain's biggest shopping centres will soon start rising at Dartford

Work is due to start this summer on the Bluewater retail centre near Dartford on the Kent side of the Thames. At 1.6m square feet with more than 250 shops it will be one of Britain's largest regional shopping and leisure

It was approved before the Department of the Environment's about-turn on the desirability of out-of-town shopping and is one of several sizeable developments in the Dartford-Gravesham area, Mr David Curry, the minister for urban

centres.

development, has described it as part of a linear development on both sides of the Thames, embracing houses, sbopping and business parks.

Crossways business and distribution park is already functioning. Next to the new Queen Elizabeth Bridge at Dartford, Kent, some 3m sq ft of development are planned. including the 1m sq ft created since work began on the site in the mid-1980s.

There are plans to build a science park in Dartford and a new Unversity of Greenwich campus closely linked to the science park. A new township is planned

at Ebbsfleet close to Bloewater where there will also be a channel tunnel railway sta-

developments belongs to Blue Circle Industries, the cement and building materials group. The 240-acre site will be in a former limestone quarry. Its developer, the Australian Lend Lease group, says a number of prestige clients have been signed up, including John Lewis, House of Fraser, C&A. Marks and Spencer, W.H.

It claims that there are 9.6m potential consumers within one hour's drive of the site. which will have 13,000

Smith and Boots.

Mr Panl Batley, of the Dartford borough council, welcomes the project, "There were originally fears that this derelict land would be used as a rubbish dump. The fact that it is going to be a retail centre is good news for Dartford.

Eventually, when it opens in 1988, it could mean 5.000. jobs.

Since it would be near the proposed Chunnel railway. station at Ebbsfleet, due to open by 2003, it could also attract shoppers from the continent Mr Mark Pennington,

projects director at Blna Circle, is even more bullish, claiming that there are 13m people in the catchment area. Others, bowaver, wonder whether it might not become a

white elephant. Envtrnnment . The Department had originally clamped down on new out of town shopping centres because of the damage they caused to

high street shopping. Bluewater will compete not only with the high streets but alsn with the similar blg on the Essax bank of the

Mr Richard Belt, general manager at Lakeside, thinks there is room for both big complexes. We are not expecting our birsiness to be drastically affected. We have been going for more than five years. Our catchment area is well established, he says.

Lakeside's 1.5m sq ft has room for 320 shops and 12,000 cars. It is belongs to Capital Shopping, the same company which owns MetroCentre, and boasts about 430,000 visitors a

Mr Belt says: "We estimate there are 11m consumers within an bour's drive of Lakeside. There might be some failing off when Bluewater.

### Shoppers to Bluewater could come from as far as Heathrow

first opens, but I would expect Bluewater to establish its own catchment area in Kent and to the west, around Heathrow and towns like Croydon."

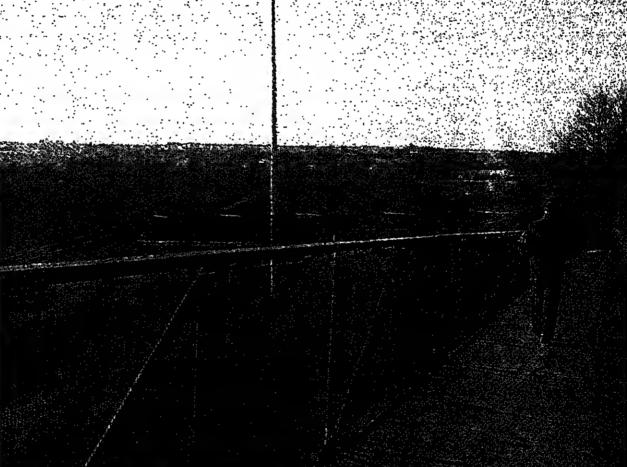
The effect on high streets. Mr Belt claims, is exaggerated. Mr Bailey of Dartford borough council agrees. "A shopping centre like Bluewater and the high street perform different functions", he says. Dartford and Gravesend

npgraded with pedestrian precincts and anvironmental improvements. Mr. Bailey belteves there

town, centres are being

might be some drop ln business as a result of Bluewater, but not enough to wipe out the high streets:

Mr Mike Evans, assistant director of economic development at Kent County Council, says that with shoppers already coming to Lakeside from as a far as Canterbury, it is likely that Bluewater will bave some impact on high street stores in Kent. But the harm will be



Akzo Nobel and Brake Brothers

# They chose Gillingham

The trend pushing

manufacturers to greater specialism - with the onus oo adding value to what may be a fairly basic product - is as evident in Kent as in any other part of the UK.

These shifts are evident in

two companies which have

well established production operations in the county. AKZO NOBEL, the Netherlands-based chemicals company, runs a speciality chemical plant in Gillingham employing about 135 people and with output of about

£35m a year. It is one of Europe's most important centres for making organic peroxides used as "initiators" or catalysts for influencing the properties of plastics, and also for producing a liquid monomer called Nouryset used in plastic spectacle lenses.

The other operation is at Lenham Heath, near Maidstone, and is run by BRAKE BROTHERS, the food producer and distributor. At Lenham, the company has two factories employing a total of 130 people which

makes frozen prepared meals

for the catering industry and

pubs around the country. A key to this manufacturing activity is Brake's willingness to workwith customers such as hrewery chains to devise new types of ready-made meals - a ozen version of chicken tikka masala is one recent success - which both sides to

partnership think will go down well with customers. In the case of Akzo Nobel. the company has invested heavily for an operation of this size - roughly £1.2m a

the product development

year for the past five years in new automated plant and handling equipment for its production systems. This, together with an interest in keeping close to customers in other parts of the chemicals and plastics moulding industry across Europe, has meant that the plant has "hardly noticed the (early

1990s) recession", says Mr Ron Entton, site director. Value of output has increased by an average of about 6 per cent a year during the 1990s, while employment has reduced by about 30 per cent, a net loss of some 50 people in the past five years, indicating a marked productivity improvement.

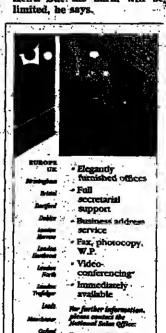
As for Brake Brothers. employment at Lenham, one of a number of manofacturing sites the company runs around the UK, has increased

by about 10 per cent in the past year on the back of improved demand for its ready-made meals which are shipped under controlled temperatures by Brake'a vans to customers in different parts of Britain.

Part of the strategy for Lenham, according to Mr Alan Marshall, Brake's managing director in charge of manufacturing, is to "carry on the business of coming up with product developm ideas for bespoke meals in conjunction with our customers".

The company is also spending significant sums on improving its production operations, with £300,000 due to be invested this year in the Lenham meal preparation facilities

Peter Marsh



STERDIM

A. A. C. W.

AMIL

+44 1784 898 444 UK Freenh 0500 522533

Pully furnished and equipped offices worldwide

WIR 120 LOCATIONS WO

# **E BUILDING for BUSINESS**

Planning to invest in Kent? - Europe's new emerging business location?

Planning to expand? Then plan with DENNE. If you need to build then we have nearly 200 years

experience, offering a total package construction service.

Contact: Stephen Kingsman, The Denne Group, Braming House, Braming, Contenbury, Offices in Bostdon, East Grinstead and York. Kent CT3 INB. Tel; 01227 720551

CH STORE

Partier Service Comments

Research Service Comments

Research Service Comments

**注 200 1. . .** 

Dec.

14

ڪ ۾ راڻي

عملتي

14 at 14

12.

14 14 C

4.5.7

1

. This

A 1917

10 m 100

المناجعة المنافرة

Sugar -

100 1 m

3615 Sept.

# 12 Th

1.31 Sec. 2.

#45 TE 123

A. 6. 4.85

21

Same of the same

A. 100.00

الله والمحيدة الله

1 m

建 54 元

A Part of the State of the Stat

1 2012年1 - -



. Time

المفاترين

The art of pulp fiction

The more sensational the cover the better, writes Michael Carlson

be body of a woman is being hoisted out of the water. Her red dress clings to her voluptuous figure. In the foreground, a man watches, submerged except for his head and one arm clinging to an anchor cable. His point of view becomes yours.

Painted by Robert Stanley in

1951 for the cover of a paper-back re-issue of Dashiell Hammett's Red Harvest, this is only one of many striking images on view in Pulps and Paperbacks: Sensotional Art from the 20s to the 50s, an exhihition at Illustration House in New York until the end of this

"Go for the jugular was their motto", explains Robert Reed, the organiser. "You had to grab the attention of the browser at the news-stand." If a curvy dame was good, a diagonal damsel in distress was better. "Diagonals get

your attention more than straight lines," says Reed. "A whole generation of B actresses developed their sultry poses based on that lean." Sure enough, in Rudy Nappi's cover for Unfoithful, a Diana Dors. lookalike gives her come on to a slick hep-cat smiling through his cigarette.

"A gun was good hut a gun going off was better." The hard-boiled look was everything. Hard-boiled meant being able to resist the allure of those diagonal sirens. George Gross was a master of the cheap femme fatale. His cover for A Girl Called Joy shows a woman nn a doctor's examining table, diagonally, of course. Her blonse is open nearly to her waist, her skirt rides up to show her slip. Poor

In contrast, Gross's cover for Harry Whittington's Violent

Brown, artistic director of

England.

be theatre world in

Scotland is in for

more, than one

Night shows a woman in a similar pose, but unthreatening. She is on a slab in the morgue.
A hard-hoiled cop in a raincoat is talking with the coroper. He has seen it all before. The scene is hit to make the corpse seem alluring, even in death. Needless to say, these magazines were aimed at men.

Part of their lesson was that dames are dangerous. It is hard to miss the point in Gross's outre cover for Love Me Or Die by Day Keene. A couple embrace passionately as a buge blue hand descends as if to crush them: love me and die is what it is saying.

he artwork reflected botb the marketplace and the changing style of American detective stories. The covers reinforce Raymond Chandler's statement that Hammett had taken murder out of the parlour and given it back to the people who really committed murders. Examples from Black Mask in 1932 and Scotland Yard Mag-

azine in 1931 reflect the cool design of smart drawing rooms, Black Mask, originally edited by H.L. Mencken, may bave thought of itself as upmarket but soon magazines like Dime Detective boasted darker, more threatening scenes. Crime had been glamorous in the roaring twenties, but in the chaotic world of the Depression it was more threatening and the magazines dived downmarket

Most of the covers were done in oils, painted on large canvas. This size was not demanded for reproduction. "It was more a convention," says Reed, "But the attitude of the publishers and most of the artists was that this stuff was junk, Magazines sold original



ARTS

The Pirate of Wall Street' by Paul Stahr which takes pride of place in the New York exhibition

art for a dollar. The artist looked at it as a stepping-stone to slick magazines, but they didn't think of it as art. It wasn't until later that they in smaller scale.

started working on board, and One man who went on to slick magazine and book illus-

tration was J. Allen St John. who is featured with a cover for an Edgar Rice Burroughstype adventure (man battles giant scorpion while an armoured woman is trapped in giant spider web, all rendered in delicate pastels). But pride of place is given to

an amazing cover hy Paul Stahr. The Pirate of Wall Street cackles over his stock-ticker, flintlock pistol in his red sash. lts hrush-strokes bold as a slashing sword, this is Reed's particular favourite. "We're nuly a few blocks north of Wall Street," he laughs, "I'm

amazed this hasn't found a space in some broker's office

At Illustration Honse, 96 Spring Street, New York 19012 (212-966-9444) Tuesday to Saturday 10am-6pm throngb

this play is among Tennessee

Williams's most rarely seen. It

### Theatre in Scotland/Alastair Macaulay

# Dramatic shake-ups offstage and on

Edinburgh's Traverse Theatre. is leaving to go freelance; nomenon is of such sociologi-Michael Boyd, artistic director cal interest that I hardly like to of the Glasgow Tron, is leaving observe that the Morabou to become an associate director Stork Nightmores staging is of of the Royal Shakespeare Comvirtually zero aesthetic merit. pany in July; and Anna Staple-Although drugs are not the ton is quitting as drama direccentral issue here - sex, and a tor of the Scottish Arts surrounding nexus of bullying and repression, are - Marabou Stork Nightmores returns us to the hopeless life of growing up Council, to take up the same post for the Arts Council of in the Edinburgh tenements. Meanwhile there are shakeuns onstage. At the Glasgow Does it matter that Gibson hardly ever turns it into a Citizens Theatre, audiences are flocking to see the stage premiplay, that most of the acting however intense - is coarse?

ere of the latest adaptation of a novel by Irvine Welsh, followes, it matters. But the ing the successful stage and sheer grittiness of the film adaptations of his Trainspotting. Marabou Stark Nightsubject matter and the mares is directed (and adapted) relative artlessness with which it is depicted make by Harry Gibson. On the night their combined impact. Maraattended, eight hecklers in bou Stork Nightmares is not the audience were evicted at the interval: it was important, good theatre, but - ironically remarked an usher, to have them removed before the much mora disturbingly graphic events of Act Two. Well, yes. The protagonist, Roy Strang, played by James Cunningham, endures or perpetrates a string of prolonged sexual assaults.

pop theatre. The culture of abuse becomes easy viewing.

Meanwhile, piher views of Scottish society are on view at the Edinburgh Traverse in the world premiere production of David Greig's The Architect. Like many a Traverse play, it is an analysis of a Scottish social problem. In the past, Leo has designed buildings that are

now falling down; and he has also shaped a nuclear family (wife, son, daughter) that is also falling apart. When Greig pursues the details of the lives of Leo's children, he produces material

with real depth and fluency. Martin (his son) takes to cottaging and starts a wild affair with another young man, Billy; but his inability to develop relationships leads to Billy's suicide. Several episodes of this ring peculiarly true. Likewise the way that Dorothy (Leo's daughter) allows a lorry driver, Joe, to pick ber up. leads him on, rejects him, wants him back. Paulina (Leo's wife) has the play's wittiest lines: but everything about her obsessiva rejection of her husband seems, like the entire family/architecture parallel throughout the play, merely schematic.

In Philip Howard's staging, Tom Black as the toughcrusted Martin is especially fine. Simon Vincenzi's set, a bollow three-dimensional framework, cleverly underlines every meaning of Greig's play. At the Tron Theatre, Boyd in his farewell staging - does a

fair amount to jazz up Beckett's Endgame. Heaven knows what the Beckett Estate will have to say about the songs by Elvis Presley et al... and occasional use of a microphone. 1 was more concerned by the three different acting styles on display amid the cast of four. And yet what happened onstage was Beckett's Endgame, still one of the most audaciously peculiar plays ever written, still poetically pregnant with meaning, still bleakly comic about the end of

he gimmicks of the production seem merely peripheral. Even when John Castle's delivery of Hamm tends to be too artful, and even though Forbes Masson as Clov is too silly, the play never loses its strange grip. Phil McCall and Jan Wilson are first-rate as Nagg and Nell, heads poking up from their dustbins. "I lost my tooth," he complains to her. "How?" she asks. "I had it yesterday," he says. "Ah," she replies, with a faint and tender

smile, "yesterday." True, as sceep follows scene, In each episode of *In the Bor* you gradually come to see why

of a Tokyo Hotel, now being given at the Glasgow Citzizens in its Circle Studio, Tennessee Williams's writing shows why he too was one of the supreme over (as Williams was at the

post-war playwrights. Its 1969 premiere was in one act; this staging is in two. It manages both to be supremely theatrical and yet utterly persuasive; the blend of stylish artifice and of moral seriousness is always enthralling. Miriam is the sexually rapacious American woman who is passing through Tokyo; Mark is her artist busband, ill and frequently falling time). Both of them are in their several ways doomed; but it is Mark who will die before the play's end. Miriam - a survivor, audaclous, imperious, but devoid of all innocence - is one of Williams's strikingly camp creations. And Williams suggests that she as much as Mark is a projection of the author. "Are we two people, Mark?" Miriam asks "Or are we two sides of ooe, an artist married to a compulsive . . ?" She does not finish ber sentence, but she, be, and we know how to.

True, as sceoe follows scene.

contemplates the same dilemma too slowly; Its final crowning metaphor, about "the , is too artificia and, despite the unusual twist of the Tokyo-hotel-bar setting, it keeps ringing bells that Williams had rung elsewhere. Ellen Sheean, rather too monotonously pushy as Miriam, looks decades older than Colin Wells, rather too glowing as Mark.

ut Philip Prowse, directing, perfectly catches, in the play's tone and pacing, the cusp Williams treads between camp urbanity and real anguish. The formal beauty of the set's japonaiserie adds just the right delicate tension. Odd lines, like Miriam's "Loneliness has become a worn-out thing to discuss", make an impact out of all proportion.

The Architect continues in repertory at the Edinburgh Traverse until March 10; Endgame continues in repertory at the Glasgow Tron until March 23. At the Glasgow Citizens Theatre, Marabou Stork Nightmares (in the Main Theatre) and In the Bar of a Tokyo Hotel (in the Circle Studio) continue until

### Theatre/Sarah Hemming

# Darkly comic 'Company'

een now, 25 years after it was first staged, Stephen Sondbeim's Company seems curionsly prescient. For, while his theme is ostensibly the pros and cone of marriage, as bach-elor hoy Bobby's married friends attempt to cajola or coerce him into the wedded state, what seeps not over the evening is a concern with a more fundamental loneliness. And bere, in Sam Mendes's superh, polished and brittle production (transferring from the Donmar Warehouse), the musical seems to catch the bollow tone of the 1990s.

In the larger space of the Albery Theatre, Mark Thompson's airy, Manhattan loft set, with its elegant metal walkways and staircases, serves only to emphasise this feeling of cavernous emptiness, and matches the suave, self-contained Bohby's state of mind. Mendea successfully gives cohesion to the revue-style structure of the piece by suggesting that all the short scenes, in which Bobby is wnrked on by bis various friends, are in fact visitations to his seething mind as, on his 35th birthday, he contemplates his future path.

It is a darkly comic piece which, despite its Jauntiness, adds up to a hollow view of life. Such sardonic humour is something, of course, in which Sondheim excels, and the production plays to the hilt his clever deployment of opposites to sum np the bnman dilemma. How much you really warm to Company depends, perbaps, nn the extent to which you feel that he balances hitterness with sweetness and cruel observation of human foibles with

compassion. On this occasion, I have to confess, not even Adrian Lester's beautiful rendering of the final number. "Being Alive", in which Bobby achieves some level of self-knowledge and shifts towards commitment, truly

convinced me that Sondheim's

brilliant eye for the cynicism nt our age is redeemed by hope.
But there is no getting away from the wit and brio of tha staging or the sheer enjoyment of a wonderful cast. Lester is excellent as Bobby: bandsome, charismatic, fascinating. He ably convinces you as a man committed to nnn-commitment, who has so far choseo the neatness of isolation above the messiness of company, and yet be also snggests the charm and vulnerability that makes bis friends pet him and project their weaknesses and day dreams onto him.

Elsewhere, the women ar particularly good. Sheila Gish is bugely enjuyable as the embittered, rich bitch, who rasps out ber contempt for other middle-aged women glo-riously. Sopbie Thompson too gives a virtuoso performance as a neurotic bride experienc ing ice-cold feet on ber wedding day - her rattling, high-speed sala delivered in counterpoint to the congregation's suffocating hymn is surely a Sondheim classic. And Hannah James is also a delight as one of Bobby's girlfriends, the nervy, gawky air hostess, all angles, wrists and ankles, desperate to please. The whole evening is as cool, pulished and hollow as a designer vase.

Continues at the Albery, London WC2 (0171-369 1730).

### Concert/Stephen Pettitt

# Solti's Bruckner

ome clever marketing is being practiced down at the Barbican, for the London Symphony Orchestra's unlikely Bruckner-Mozart series continto fill the hall for concert after concert. Even on his nwn, Bruckner is not the most easity sold of composers. His symphonies have their many high and glorious points, but there is no gainsaying their traits of stolid predictability, the feeling that there is a lot of -

entirely necessary - going through of the motions. What the listener has to decide is whether the patience they demand is worthwhile. And that in turn depends largely upon the ability of the conductor to shape these vast stop-start stroctures into something that seems continuously to evolve rather than to repeat difficult when Bruckner's harmonic vocabulary is charged with so mncb less emotional power than that of his great hero, Wagner. After bearing several concerts in the LSO's series one is still left pandering about Bruckner's greatness.

Sir Georg Solti's reading of the Fourth Symphony, "Tha Romantic", on Wednesday, which followed Murray Perahia's somewhat grandiloquent and splashy account of Mozart's D minor Piano Concerto, K 466 (lengthy cadenzas by

Beethoven and Perahia), offered us something like a knee-jerk reaction to the score, taking an event at a time. Particularly in the finale, that meant that the sequence of clito be working as a flat circle as it were, rather than as a rising spiral. while a rawness in the orchestral sound made those climaxes wear on the ear. But against that could be set the carefully measured tread and lovely woodwind sounds in the Adagio, the luminous freshness that Solt saw in the opening movement, the ontward simplicity of parts, at least, of the

Scherzo. Sometimes, indeed, he seemed to be endeavouring to bring the symphony close to the world of the early Symphony No 0, which bad been conducted by Sir Colin Davis, a far more outwardly spiritua Brucknerian and conscientious shaper of this music, in a con-

cert a couple of weeks before. That work, which shows Bruckner less concerned with notions of formal perfection. less afraid of the untrammelled imagination, teasingly conjures up resonances of Schr-mann, Weber, even Berlioz, For all its crudities it is a piece for which one can easily cultivate fondness, and fondness is often preferable to

# INTERNATIONAL

The point is that the abused

The whole Irvine Welsh phe-

### AMSTERDAM

CONCERT Tel: 31-20-5730573 Konlnklijk Concertgebouworkest: with conductor Nikolaus Hamoncourt and violinist Gidon Kremer perform Brahms' Symphony No. 1 and Violin Concerto; 8.15pm; Mar 20, 21, 22

### **BERLIN**

DANCE Komische Oper Tel: 49-30-202600 Romeo and Juliet: a choreography by Tom Shilling to music by Prokotiev, performed by the Ballett Komische Oper; 7pm; Mar 19

### ■ BRUSSELS

THEATRE Rideau de Bruxelles Tel: 32-2-507 83 60 Trois Grandes Femmes: by Edward Albee. Directed by Roumen Tchakarov. The cast includes Jacqueline Bir. Anne Chappuls.

Valérie Bauchau and Damien Gillard; 8.15pm; Mar 19, 20, 21, 22, 23, 24 (3pm)

### ■ CHICAGO **OPERA**

Civic Opera House & Civic Thantre Tel: 1-312-332-2244 Siegfried: by Wagner. Conducted by Zubin Mehta and performed by the Lyric Opera of Chicago. Soloists include Siegfried Jerusalem, James Morris, Jane Eaglen and Matti Salminen; 6pm; Mar 21 EXHIBITION Art Institute of Chicagn

Tel: 1-312-443-3600 Showing in the Kisho Kurokawa Gatlery, "Contemporary British Architects" presents three years highlights from the Architecture Room of the Royal Academy Summer Exhibition. Sponsored by the FT; to May 5

### **EDINBURGH**

Edinburgh Festival Theatre Tel: 44-131-5296000 La Sylphide: a choreography by Boumonville to music by Lovenskjold, performed by the Scottish Ballet, 7.30pm; Mar 19, 20, 21 (also 1.30pm) , 22, 23 (also 2pm)

### FLORENCE

CONCERT Teatro Comunale Tel: 39-55-211158 Orchestra del Maggio Musicale Florentino: with conductor Semyon Bychkov and the Coro del Maggio Musicale Florentino perform Brahms' Schicksalslied, Op. 54 and

Bruckner's Symphony No. 7; 9pm; Mar 22,23, 24 (3.30pm)

### HAMBURG

CONCERT Viusikhalle Hamburg Tel: 49-40-348920 Performed by the

 Johannes Passion: by J. S. Bach. Kammerphilharmonie und Chor des Mitteldeutschen Rundfunks, conducted by Helmuth Rilling; 8pm; Mar 18

### **■** HELSINKI DANCE

Opera House Tel: 358-0-403021 Swan Lake: e choreography by Wladimir Bourmeister after Petipa/ Ivanov to music by Tchaikovsky. performed by the Helsinki Ballat 7pm; Mar 16, 19, 21

### **LEIPZIG** DANCE

Oper Leipzig Tel: 49-341-1261261 Swan Lake: a choreography by Uwa Scholz to music by Tchaikovsky, performed by the Ballett Leipzig; 3pm; Mar 17 OPERA

Oper Leipzig Tel: 49-341-1261261 Fidelin; by Beethoven. Conducted by Jiri Kout and performed by the Oper Lelpzig and the Gewandhausorchester, 7pm; Mar 16

### **LONDON**

AUCTION Sothebys; Parke Bernet & Co. Tel: 44-171-4938080 Musical Instruments: highlights of

this sale include violins by Michaelangelo Bergenzi (1740), Joseph Guadagnini (1785), Francisco Uggieri (c. 1685) and Giovanni Francisco Pressenda (1832), and a cello by Giovanni Grancino made around 1700. Concert guitars in the sale include a 1962 instrument by Spanish maker Ignacio Fieta and a 1956 instrument by the German Hermann Hauser II; 10.30am; Mar 19 CONCERT Wigmore Hall Tel: 44-171-9352141

 The Artis Quartet of Vienna: with pianist Stefan Vladar perform Mozart's String Quartet in C, K157, Brahms' Plano Quintet in F minor, Op. 34 and Dvorák's Plano Quintet in A, Op. 81; 7.30pm; Mar 16 OPERA London Collseum Tel: 44-171-8360111

### Tristan und Isoide: by Wagner. Conducted by Mark Elder and performed by the English National Opera; 4pm; Mar 16

CONCERT Carnegie Hall Tel: 1-212-247-7800 Maurizio Pollini: the planist performs Beethoven's sonatas Nos.

■ NEW YORK

27, 28 and 29; 3pm; Mar 17 The Cleveland Orchestra: with conductor Christoph von Dohnányi perform Schoenberg's Five Pieces for Orchestra, Op. 16 and Bruckner's Symphony No. 5; 8pm; Mar 16 The Walter Reade Theater Tel: 1-212-875-5600

 Corey Cerovsek and Katja Cerovsek: the violinist and planist perform works by Franck, Tartini, Beethoven, Messlaen and Saint-Saens; 7.30pm; Mar 18

EXHIBITION The Metropolitan Museum of Art Tel: 1-212-879-5500 Spiendours of imperial China: Treasures from the National Palace Museum, Taipei: 450 works from the neclithic period to the Eighteen century from the National Palace

collection; from Mar 19 to May 19

### PARIS DANCE

Théâtre National de I4Opéra Opéra Gamier Tet: 33-1 42 66 50 22 Ballat de l'Opéra National de Paris: performs the choreographies En Sol, A Suite of Dances, Moves, and The Four Seasons by Jerome Robbins; 7,30pm; Mar 19, 20, 22, 23

### VANCOUVER **OPERA**

Queen Elizabeth Theatre Vancouver Opera Tel: 1-604-682-2871

(2.30pm & 8pm)

 The Makropulos Case: by Janácek. Conducted by David Agler and performed by the Vancouver Opera. Soloists include Mary Jane Johnson, Christopher Robertson and Benoit Bostet; 8pm; Mar 16, 19, 21

### **■ VENICE**

EXHIBITION Figt Arts Centre, Palazzo Grassi Tel: 39-41-523-5133 Major axhibition devoted to the civilisation nf Magna Grecia - or the Western Greeks. Consisting of more than 2,000 objects; the intention of the show is to explore the deviopments of the period between the Eighth

and Sixth centuries BC in the colonies from Sicily to Provence and the Iberian Peninsula; from Mar 24

### VIENNA CONCERT

Konzerthaus Tel: 43-1-7121211 Offi Mustonen: the pianist performs works by Debussy, Prokofiev and Hindernith; 7.30pm; Mar 19 OPERA Wiener Staatsoper Tel: 43-1-514442960 Arabella: by Strauss. Conducted by Leopold Hager and performed by

### the Wiener Staatsoper, 7pm; Mar 19, 22 **■ WASHINGTON**

CONCERT Concert Hall Tel; 1-202-467 4600 · András Schiff: the pianist performs R. Schumann's Arabesque, Davidsbundlerlänze and Blumenstück; 8.30pm; Mar 20 JAZZ & BLUES Terrace Theater Tel: 1-202-467 4600 Billy Taylor's Jazz at the Kennedy

Center: performance by pianist Billy

Taylor, flutist Dave Valentin and the

Chip Jackson Trio; 7.30pm; Mar 18

### **ZURICH**

CONCERT

Tonhalle Tel: 41-1-2063434 Heinz Holliger, Maurice Bourgue, Klaus Thunemann, Klaus Stoll and Christiane Jaccottet: the oboists. bassoonist, double bass-player and harpsichord-pleyer perform works by Zelenka, W. F. Bach, Telemann and J. S. Bach; 7.30pm; Mar 17

WORLD SERVICE BBC for Europe can be received in western Europe nn Medium Wave 648 kHZ

respect.

(463m)

**EUROPEAN CABLE** AND SATELLITE **BUSINESS TV** (Central European Time) MONDAY TO FRIDAY

**NBC/Super Channel:** 07.00

FT Business Moming

European Money Wheel Nonstop live coverage until 14.00 of European business and the financial markets

17.30 Financial Times Business Tonight

Financial Times Business

Midnight

Toniaht



Philip Stephens

# If the hinge breaks

On the issue of Europe, the prime minister and chancellor are playing for the highest of political stakes

The relationship between enough reassuring language. prime minister and chancellor But Mr Major had already is the vital hinge of British exposed the chasm in the cabigovernment. When it snaps, net over the referendum issue. As one senior minister admitchaos reigns. So it happened between Margaret Thatcher ted dolefully, this administraand Nigel Lawson over the tion retains an unerring European exchange rate capacity to shoot itself in the mechanism. So it might again head. Another offered the hope that tempers will cool. Mr Clarke departs 10night for between John Major and Kenneth Clarke over a single currency. One almost expects Mr 10 days in the more agreeable Major to blurt out any day climes of southern Africa. But now that his Downing Street I am told that there has been neighbour is "brilliant, brilnothing so far in his conversaliant, brilliant". Nay, "unastions with the prime minister sailable" even. Sterling and to support that hope. Mr Major has flirted for Europe could yet dig the Con-

servatives' political grave. nearly two years with the idea of promising such a plebiscite. Ignore the desperate public pretence of the senior minis-The idea was first raised by Douglas Hurd, the then forters who bave been arguing in eign secretary, in the autumn the past few days that this of 1994. In fact, Mr Hurd latest struggle is a figment of suggested two referendums fevered Westminster imaginations. It is true that tensions one on the outcome of the intergovernmental conference are sometimes exaggerated. In their attitudes to spending and another on the single curand taxes, or for that matter to the welfare state, the two rency. Mr Major, however, facing cabinet opposition not only from Mr Clarke hut also men are closer than the headlines often allow. But on the from the Eurosceptic Michael issue of Europe. Mr Major and Portillo, was persuaded to Mr Clarke are playing for the hold the proposal in reserve.

highest of political stakes. He returned to it at the As I wrote in this space a instigation of Brian Mawhinweek ago, I am not certain ney, the party chairman. Mr Mawhinney, never a politician that the chancellor will resign if the prime minister gives an with the steadiest of nerves, has been peddling dire warnunequivocal pledge of a referings of the threat in marginal endum on a single currency. Tory seats posed by Sir James But nothing bas happened since to dissuade me from the Goldsmith's Referendum view that Mr Clarke will seriparty. Mr Major was told that ously consider quitting. a government promise of a It is madness it has come to

The chancellor this. When the cabinet convened eight days ago to discuss its white paper on the European Union's fortbcomsees the party of Europe which he ing intergovernmental conference, the objective was to restore a semblance of unity joined in the early to the Tory backbenches. 1960s sliding ever To the extent that was ever possible, the document's publication oo Tuesday was a

faster towards modest success. ft had been the fatal embrace shrewdly drafted by Malcolm Rifkind, a foreign secretary of narrow with a lawyer's mind. The hard-line Eurosceptics were nationalism not satisfied, but then they never will be. And for the dwindling band of

Europeans there was just

plebiscite would outflank the Paris-based financier. It was also vital to appease the sceptics on the backbenches. And when better to announce it than during the party's spring conference in Harrogate at the end of this month? It is there that Mr Major intends to launch the first stage of his

general election campaign.

For other reasons, most in the cabinet also support such a pledge. The recent speculation that Michael Reseltine has softened his stance was confounded by his robust opposition during the cahinet discussion. Chancellor and deputy prime minister represent a formidable minority. Joho Gummer and Sir Patrick Mayhew are also said to be allies. But others who call themselves pro-Europeans, Stephen Dorrell and Tony Newton among them, spoke in favour of a plebiscite. A vote unweighted by seniority would yield a hefty majority for Mr Major.

Mr Clarke's opposition, though, is implacable. Ask him and be would reel off a formidable list of objections. Why offer hostages to fortune now when it is uncertain even whether there will be a single currency? There is no place for referendums in a representative democracy, a view that Mr Major and most of the Tory party consistently upheld in parliament during the passage of the Maastricht treaty. A referendum would just as likely become a vehicle for protest votes as an opportunity for considered deliberation. And as for the argument that divisions on the issue would run across parties rather than between them, a

free vote in the House of Commons would deal with that. But the chancellor's most keenly felt objection is not technical, or even constitutional, hut political. Time and again, he has blanched as Mr Major appeased the Eurosceptics and, in doing so, simply whet their appetite for more. He sees the party of Europe which he joined in the early 1960s sliding ever faster towards the fatal embrace of narrow nationalism. He despairs of the government's waning influence with its European partners.

This is not a premeditated struggle with Mr Major. Only two weeks ago Mr Clarke thought the issue of a referendum had all but dropped from the government's agenda. He was taken unawares by its return. But now it has become a symbol, a line in the sand. To concede would be to follow appeasement with surrender.

There is another parallel here with the epic struggle between the then Mrs Thatcher and Mr Lawson. He cited as the cause of his resignation the return to the prime minister's office of Alan Walters as her personal economic adviser. But that was just what Mr Lawson subsequently called the tip of the ill concealed iceberg on which their relationship foundered.

There is no easy escape route for the present prime minister and chancellor. A decision has been promised by the end of the month. Neither can back down without severe damage to their authority. And I doubt the government would survive more than a few weeks beyond Mr Clarke's resignation.

The balance in the cabinet may change. The likes of Mr Newton and Mr Dorrell will presumably think hard before collnding in the chancellor's departure. The sensible course all along would have been for Mr Major to horrow Tony Blair's formula. This has it that participation in a single currency would require the explicit consent of the electorate either in a general election or a referendum. De facto that guarantees a plebiscite if the possibility arose during the lifetime of the next parliament. Mr Clarke should he able to live with that So too should Mr Major. That is not

Philip Stephens' book, Politics and the Pound, will be pub lished next week MacMillan.

to say they will.

## LETTERS TO THE TOUTOR

Number One Southwark Bridge, London SLES AND

We are keen to encourage letters from readers around the world. Letters may be faxed to to fine a small letters editor of com Translation may be available for letters writing it to the small letters with the small letters will be small letters.



### New Zealand sets example on welfare reform

From Mr Frank Field MP. Sir, Martin Wolf blowing the New Zealand trumpet ("Lessons from the antipodes". March 12) is more than justified. Along with colleagues on the social security select committee I visited New Zealand towards the end of last year. While we were examining benefit reforms the total transformation described in this article was apparent.

The key lesson I drew from being in New Zealand was the one which Martin Wolf emphasised. Britain is told that it is too small to matter and that its destiny is firmly held in the hands of other countries Yet here is a country, infinitely smaller, that has transformed its economy and way of life. It has also embraced one of the

welfare reforms I advocate for Britain. Their equivalent of income support has been transformed from a passive into a proactive agency. All claimants capable of work have to draw up a life plan listing what they wish to achieve. Social security staff are trained to help achieve these objectives. I believe we should go further and allow claimants to use their benefit providing they are attempting

to achieve a career objective. This benefit reform would liberate millions of claimants who are currently forced into permanent idleness. It would, as New Zealand has found with an even more modest reform. act as a major check on fraud. Allowing people to build their own life-rafts back into work

and stopping fraud would soon begin to reduce the income support budget in Britain in real terms. New Zealand has committed

itself to a voluntary policy on savings for retirement. With means tested support for older people New Zealand is huilding up financial problems for Itself. Means tests build fraud and deceit into the system. People will lie about their assets. The only way of increasing the chance of insuring an adequate retirement income is an extension of the compulsory system of savings we already operate in this country. Labour's historic

commitment has always been to a universal system of coverage. That can only now be achieved by a partnership

between the state, the private sector and mutual aid provision together with an extension of compulsory retirement savings. But comprehension will be more expensive in the short run as the contribution to funded schemes to the low paid and those outsida the Labour market must be covered from general taxation. Will Labour be the first party now reforming welfare to include all citizens in a stakeholder system? Elsewhere the poor have been cast out of civil society and ghettoed into a

Frank Field.

House of Commons. Westminster SW1A-0AA

dependence on means tested

### Venezuela's frontier fight against drugs

From Mr. Roy Chaderton-Matos.

Sir, Your report on the Andean presidential summit in Peru ("New 'Andean Community will be modelled on EU", March 12) contains a reference to "regular clashes between Colombian and Venezuelan troops on their

frontier" that is simply false. Venezuelan troops are engaged in the battle against criminals and narco-guerrillas on the frontier and my government favours the presence of Colombian forces to fight against these groups on their side of the

Many Venezuelan soldiers bave been killed or wounded in the fight against drug trafficking and may have contributed to preventing drug related deaths in consuming

Roy Chaderton-Matos, Ambassador. Venezuelan Embassy 1 Cromwell Road, London SW7 2HR

### Harmony on EU arms export policy

on the collaborative venture

with France's Thompson CSF.

From Mr Steve Shropshire.
Sir, In a period of declining global defence expenditure, and in the face of stiff competition from the US, Europe's defence industries are having to reorganise to survive ("UK to join European arms project", March 131.

One aspect of this restructuring process which is being overlooked, however, with potentially disastrous consequences, is the impact on national arms export control policies. The danger is that they will be bypassed and export policies will tend to the lowest common denominator. Indeed, sources at Daimler

Benz Aerospace, commenting

have said that the new business arrangements will allow the parent companies to circumvent the political sensitivities involved in exporting some of the more controversial armaments, hy allowing the new business to of national laws are less restrictive Netional controls operated

by member states are proving increasingly ineffective against a restructured defence industry. Harmonised EU arms export controls are necessary. Some progress in this direction has already been made. The European Council agreed eight criteria on arms exports in 1991 and 1992. However, these criteria are vague, non-hinding and have been consistently misinterpreted or disregarded.

- 7

1

1000

2.24

1.0.2

.

4.74

. .

. .

. ( 44

1-2

\*\*

· COM

Lette.

tion tion

1 2 1

-4714

1 (1) 1 (1)

) / da

· May. F

11

. th.

hel

negative leaders: leagest lyders:

d mil

Alias M

unue lecele

in the the

A SECTION Talani, po

stater insura

Action 2

the metal

Leberte.

· · · · · ·

A key priority for member states at the forthcoming intergovernmental conference. must be to reach a common interpretation and implementation of these criteria based on the higher levels of existing national

Steve Shropshire, arms trade researcher. Saferworld, 33/34 Alfred Place London WC1E 7DP, UK

### Debating women's role in Hollywood

From Ms Joelle Diderich. Sir, I have just read Nigel Andrews' review of the film Get Shorty (March 14), starring Joho Travolta and Gene Hackman.

May I suggest be read for himself the novel by Elmore Leonard from which it was adapted.
I think he will find that Gene

Hackman is, indeed, too sophisticated to portray the character of Harry, and Danny De Vito too squat for the role. of movie idol.

But nothing in the nove suggests Rene Russo's character should be "blonde with a low IQ".

Instead, she is portrayed as smart, sassy and more able to

hold her own against the cool hero.: I can only assume Mr Andrews' own view of women's role in Hollywood prompted his uncalled for remark.

Joelle Diderich. C/Argensola 7, 28004 Madrid, Spain.

Europa • **Michael Werbowski** 

# A long wait out in the cold

The EU needs to make progress on enlargement to include eastern and central Europe



The European Union's intergovernmental conference which begins in Turin at the month looks likely to be a

long bard slog. Reviewing progress since the Maastricht treaty and reforming EU insti-tutions will be a lengthy, cum-bersome and perhaps even a rancorous affair. The talks look as if they may take years.

There is, therefore, likely to be little urgency in addressing the pressing issues arising out of the enlargement of the Union to cover eastern and central Europe. These former communist countries have demonstrated their willingness to join their western neighbours, hut have made little

progress so far.

Apparently, the pace of history is supposed to slow down and wait for the EU to get its own house in order. Central and eastern European countries are expected to continue the reforms prescribed by Brussels as conditions for membership, while EU ministers haggle over hudgetary and

monetary policies.
But apprehension is growing in central European political circles that assurances about eventual EU membership made by Brussels will not be kept. Governments in the region which came to power after the collapse of the Berlin Wall have staked their electoral future on "Europhoria", the chance to join the EU.

They expect EU leaders to follow through on their promises. The entire economic reform process in the region depends on it. There may even be a political backlash if, after nainful transformations to market economies, the hope of membership turns out to be a

If eastern and central European countries do not join the EU, they will be relegated to the margins of western Europe with little or no influence on policy or decision-making in Brussels. The alternative of a half-way house that excludes



Helmat Kohl: eager to see a united Europe from east to west

aspects of EU membership is little hetter: it would leave them as second-class citizens, without the benefits, privileges and obligations of full member-

Worse, they may end up as a buffer between east and west as so often in the past - vulnerable to pressure and destabilisation from either side. None of these options sounds attractive to the applicants. At the 1993 EU summit in

Copenhagen, the strategy was first formulated which offered negotiations within a framework of structured dialogue. The countries of eastern and central Europe were led to believe by Brussels that this meant enlargement was practi-cally a done deal: the question was not whether they would join, but when.

But the relationship between the EU and the associate member countries has become like that of an engaged conple waiting to be married, yet still unable to set a date for the wedding. Eventually, feeling defected and frustrated, one these countries from some side may decide to call the

whole thing off. If a date for accession or a clear timetable is not agreed on by the member statea during the intergovernmental conference, central Europe may gravitate eastwards more. Chancellor Helmut Kohl's

Agenda 2000 proposal to accel-erate negotiations with Poland, Hungary and the Czech Republic shows the determination of Germany to act as the match-maker or intermediary between east and west.

The man who was instru-

mental in reuniting his own country is eager to see a truly united Europe from east to west, with an extended European family living, as he puts it, "under one European roof and in one European house". However, the amount of sway that Germany will have

on this issue at the negotiations in Turin is questionable. The free flow of goods and people between east and west is a long way off. EU trade restrictions and

stringent border controls between EU and non-EU member states have created a

union. Deep divisions are becoming apparent hetween those members favouring a vast continental free trade area and those which seek protection from the competitive central European economies skilled labour force.

fortress mentality within the

Those more favourable to business and financial commnnity. Other interest groups oppose competition in their sectors - for example, the French farmers who fear that Polish produce will flood their traditional markets.

The case made by opponents to further enlargement is that it will entail enormous costs. especially if the common agricultural policy and"the structural and cohesion funds are extended to the new entrants. It seems ironic that a massive bureaucratic structure with a notorious reputation for profligacy and spendthrift subsidies has suddenly become cost-conscious.

If Brussels practised what it now preaches to its eastern partners and cut wasteful spending and administrative inefficiency, more money would be available to finance

the next phase of enlargement.

There is also a problem of perception. The Czechs, Poles and Hungarians do not see themselves as applicants begging for charity, as Brussels appears to believe. These coun-tries do not want to join the EU simply because of the handonts that might be offered to its underprivileged members. These emerging economies are fast becoming productive and prosperous and, in the long run, may become net contribu-tors to the EU coffers.

The central Europeans have transformed their economies in a short time. They deserve credit for accomplishing, against the odds, what can be called a Wirtschaftswunder or economic miracle. Overcoming the bitter legacy

of the cold war and consolidating democracy in the region will take longer. It is time for the EU to live up to its ambitions for a wider union, and begin the formidable task of creating a united Europe from

The author, a Prague-based journalist, is co-ordinator of Project Expansion, n lobby



can be heard

- On 40 Radio stations covering all major cities and over 70% of the UK population
- Exclusively on the only radio news service targeting prime business consumers
- By over 1.2 million ABC1\* weekly listeners

For more information, phone Unique Broadcasting Sales on:

0171 402 1011 UNIQUE

**BABC RADIO NETWORKS** 



FINANCIAL TIMES

The FT Business News Network Your business link to national radio advertising

# South Africa's unused assets

Mr Chris Liebenberg, South Africa's competent and miable finance minister, has an menviable task of trying to mith the country's dannting meds with its modest mources. He bas somehow to find the for urgent expenditumen such basic requirements of the black population as bousing fucation, population as bousing ducation, bealth and water sures - all grossly neglected duras the years of apartheid rule - whout endan-gering his government deserved reputation for fiscal actitude. The

reputation for fiscal artitude. The recent speculation; sainst the rand served as a rail reminder of the international articles' sensitivity to any sign of shippage.

In the event, he budget on Wednesday confirmal his careful halancing act. He managed to make modest the budget of make modest the budget and lower facome groups, avoid any politically explosive increase in value added tax, and still forecast a modest reduction in the budget depart. He has done so by proposing to sell off a good portion of the country's oil reserves, raing some taxation by bringing person fund income into the system; and promising to the system; and promising to

yet given the scale of the challenges facing the country, Mr Liebenberg may be being too cautious. All agree that the greatest challenge to the tackled is unemployment, with up to one in three of the population out of work, or living on sub-subsistence. To make any inroad on that, growth in gross domestic product must be raised from the current 3.5 per cent a year to an annual 6 per cent or so. That requires a very substantial increase in savings and investment, both from domestic and foreign sources.

### Pension funds

772

17. 12

South Africa's savings rate has tumbled over the past 10 years from more than 25 per cent of GDP to around 17 per cent, mainly due to a decline in personal saving. The inevitable redistribution of income in favour of the lowest paid, since the advent of majority rule, is likely to increase consumption still further, at the

entting its budget deficit more vig-

orously: Mr Liebenberg propose to bring it down from more than 6 per cent of GDP to 5.1 per cent in the coming year. But with capital spending by government at less than 3 per cent of GDP, that figure is still much too high. Moreover his move to tax interest and rental income of pension funds is scarcely a signal to encourage private savers - even if they were relieved that the 17 per cent tax rate is only half what the worst rumours had forecast.

### State assets

One answer is surely to be braver on the question of privatisation of state assets. The ruling African National Congress and its trade union allies are extremely cautious about any such move. They talk instead of "restructuring state assets"; that appears to be a enphemism for privatisation to some members of the government; to others, it means no more than streamlining state companies to make them more efficient.

The government has a very significant portfolio: through the Industrial Development Corporation, it has holdings in Iscor, Sasol and Alusaf. It owns Telkom, the state telecommunications corporation, and Transnet, which includes South African Airways, as well as the barbours and national railways. And It owns Eskom, the giant electricity utility. Total privatisation receipts could be as much as R60bn.

Of course, a blind sell-off of sucb state assets would probably simply reinforce the present white-dominated and highly concentrated ownership of South African industry. But the government should consider voucher privatisation, as practised in eastern Europe, as part of the mixture; it could then raise sorely needed funds to reduce its budget deficit (and state debt), and also greatly increase the popular (black) ownership of shares.

At this moment, Mr Kenneth Clarke, the UK chancellor of the exchequer, is heading for Sonth Africa to preach the benefits of

British-style privatisation. Perhaps Mr Liebenberg should also be inviting Mr Vaclay Klaus, of the The government can help by Czech republic, to hear the story of voncher privatisation.

# Playing poker with Lloyd's

Lloyd's of London are now open, and 34,000 Names, the individuals who have supplied the 300-year-old insurance market's capital, are trying to work out what the latest recovery plan means for them. If Lloyd's is to survive, it must win the backing of a significant majority. However, it would be understandable if many Names did not regard this plan as the final offer. So far, the tortuously complex figures put forwards by Lloyd's are indicative; final numbers will be published in May. However, the proposal gives Names an estimate of what they must pay to settle their dehts with Lloyd's. In

exchange for a final hump sum, they can transfer outstanding habilities to Equitas, a new Lloyd'sowned reinsurance company, including huge claims under US pollution and asbestos policies. Lloyd's will contribute £2.8bn to reduce the bill. It estimates that the net cost to individual Names should be capped at £100,000 plus their deposits at Lloyd's.

If Names reject the offer, they
may be pursued by Lloyd's for

much larger sums. They must weigh the package against the chance that future court actions could secure them a better deal. Each Name has a different exposure, and the overall response is highly unclear. Lloyd's does not even know whether Names still have enough money to meet the settlement, even if they want to accept it. In the poker game now under way, all players are weighing up three central questions. first, is this the best Lloyd's can offer? Second, what happens if the

leal fails? Third, if it succeeds,

shat future can Lloyd's expect?

### Additional money

The deal represents a big improvement on the first offer. However, there are ways in which it might be increased. The £2.8bn might be raised, partly by payments under insurance policies protecting agents against legal action. Some Names also feel that auditors, brokers and agents might be persuaded to put more money into the settlement. Present proposals assume no payments from auditors and brokers, and just £200m from agents. In the case of auditors, Names

What price peace? The helplines at Lloyd's of London are now open, contribute to avoid legal action of the kind already successfully brought against Ernst & Young. For their part, brokers and agents might well suffer if Lloyd's ceased to write new business. If agents take the threat of clo-

sure seriously, they could find it worthwhile to pay a slice of future profits into the settlement. However, Lloyd's is nervous of putting on too much pressure, on the grounds that agents might be prompted to quit the market alto-

### **Brinkmanship**

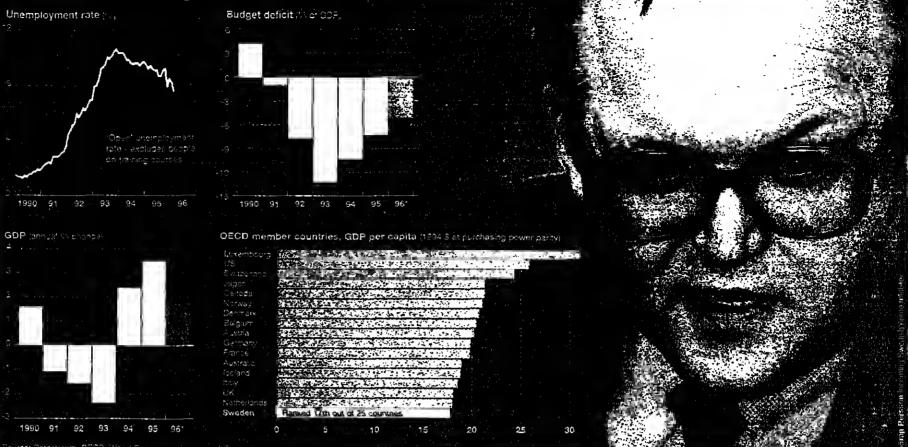
The preaent brinkmanship therefore depends in the end on the central question: if this deal fails, will Lloyd's sbut down? Lloyd'a has every incentive to portray itself in the worst light possihle, to encourage Names to accept its offer. But nonetheless, there is every reason to take it at its word when it says that without this settlement, it would be unlikely to pass the Department of Trade and Industry's annual solvency test.

Failure of this deal would not automatically force it to stop trading. But its future would immediately be placed in the hands of the DTL That would raise the political temperature of what has been portrayed as a purely financial crisis. a possibility which both Lloyd's and ministers must dread.

If a settlement is accepted, what future has Lloyd's? Part of its uniqueness and cachet stemmed from its pledge that it would pay claims even if it had to take the shirts off its members' backs. But Names' unlimited liability has lost any attraction it might have offered, even though Lloyd's points out vigorously that. throughout its troubles, it has met every valid claim.

There is a case, despite the damage to its reputation, that Lloyd's would still have a competitive advantage. Lacking a fixed sales force, it has lower costs than many continental and Japanese insurers. ft still offers rare expertise and flexibility, particularly the ability to write large, specialised policies which much of the world's insurers would shun. Between it and that happier outlook, bowever, lies a game of poker which is far from over.

### Sweden: the challenge for Persson



# Lion tamer steps into the ring

Sweden's new premier faces the task of maintaining his party's welfare commitment while reviving the economy, says **Hugh Carnegy** 

this evening, the faltering giant of Swedish politics, the Social Democratic Party, will elect Mr Göran Persson as Its new leader. He will thus become the country's new prime minister, replacing the less colourful Mr Ingvar Carlsson, who retires after 10 years as party leader.

The burly, bespectacled finance minister is a formidable politician who oozes self-confidence and will revel in the opportunity to wield power. "Göran Persson is the lion tamer at the circus," says Mr Klas Eklund, chief economist at Skandinaviska Enskilda Banken and formerly an influential figure in SDP governments.

But Mr Persson's ascent to the Folkets Hus podium at tonight's party congress is far from a triumnhal march. Both the country and the party that has ruled it for all but nine of the past 65 years face an uncertain future.

Mr Persson collared the top joh after steering Sweden back from the brink of financial collapse in 1994. He implemented a series of tough budget measures which have restored at least some of the country's battered reputation in interna-tional financial markets and won the respect, if not the affection, of

Even after his reforms, Sweden has yet to come fully to terms with the traumatic changes of the last decade, which have profoundly shaken a nation once so proud of its welfare-based, egalitarian society that it proclaimed it as the "Swedish Model".

The rapid internationalisation of the world economy, the end of the cold war and the painful realisation that Sweden could no longer afford the cradle-to-grave welfare system it huilt up in the 1970s bave undermined the model. The pressure to be internationally competitive exposed the extent to which Swedish companies were overmanned hurdened with costs and dependent

n the auditorium of the Peo-ple's House in Stockholm on regular devaluation. The subse-quent increase in unemployment quent increase in unemployment costs greatly increased state spending, and the public sector quickly outgrew the private sector's ability to finance lt.

> Yet the Social Democrats remain committed to a redistributive welfare system that preserves the key party principle of minimising divisions in society. The challenge fac-ing Mr Persson is how to achieve this while reversing a process which bas seen Sweden slip in the past 25 years down the OECD's international league of income per capita from the top five to 17th.

> The economy has recovered some of its poise since the 1991-93 recession and the subsequent battle to overcome a yawning budget deficit and fast-rising public debt, which at one stage threatened to approach 100 per cent of gross domestic product. A combination of painful spending cuts and tax increases over three years - equal to 7.5 per cent of annual GDP - stabilised the debt last year and should eliminate the budget deficit by 1998.

> These measures, pushed through by Mr Persson since the SDP returned from three years in opposition in late 1994, won back a significant degree of confidence in the financial markets, leading to a strong rise in the krona and a big fall in interest rates in recent mouths. Mr Persson insists Sweden will meet the economic convergence criteria to qualify for the planned start of European economic and monetary union (Emu) in 1999.

> But the economy remains vulnerable, and could relapse into crisis. Already the 3 per cent expansion of 1995 has been followed by a marked slowdown in growth this year. Total unemployment is stuck at more than 12 per cent of the workforce, although the government often uses a lower figure, which excludes those on training courses. This is a shocking level for a country which as recently as six years ago had a jobless rate of under 5 per cent. The size of the public sector is

still huge by international standards, accounting for more than 60 per cent of GDP. "If we are lucky. the downturn will be sharp but short. But if we are unlucky and Europe and Sweden go into recession, then Goran Persson is in big trouble, in any case, unemployment is going to be stuck at high levels," says Mr Eklund.

The Social Democratic party, meanwhile, has been in a state of disarray. The first preferred candidate to sucreed Mr Carlsson, the then deputy premier Ms Mona Sahlin. was forced to withdraw after revelations that she used ber government credit card for private

ployment grammes, sick pay and child care benefits has outraged many in the rank-and-file. They thought the election victory in 1994 would berald a return to traditional SDP policies, not an even tougher regime than that adopted by the previous centre-right coalition headed by Mr Carl Bildt, the radical conservative.

"Everyone should contribute (to solving the economic crisisl according to their ability," protests Ms Lotta Groning, editor of the traditionalist Norrländska Socialdemocraterna newspaper. "Now everyone bas to contribute regardless of their condition, and that is a complete break with Social Democratic prin-

the issue of Sweden's entry to the European Union last year, a clear majority currently opposes the party leadersbip's intention that Sweden should join Emu.

Many in the top echelons of the party - dubbed the "renewers" are trying to persuade the grassroots that the SDP must adopt radical reforms to adapt to the changes facing the country, much as Mr Tony Blair has overhauled the poli-

ore substantially, spending on unem-

The party has also been split by

cies of Britain's Labour party. Their agenda includes a rethink on benefits, a more flexible labour market. measures to encourage entrepreneurs and full participation in the Mr Carlsson can take credit for

already having moved the party in this direction. He presided over sweeping economic and financial deregulation in the 1980s and tax reforms in 1991. He swung official SDP policy to a pro-EU stance. But the party has approached all

these issues in a defensive mode, portraying them as necessary evils to protect the core of the welfare state rather than as desirable goals in their own right. The policy debate that will follow Mr Persson's election will be dominated by "traditionalists" clamouring for a return to the "tax-and-spend" certainties of the 1970s. Mr Persson will struggle to avoid being bound by traditionalist resolutions.

The key question now, therefore, is what kind of leadership Mr Persson will offer. Sweden's big exportlng companies - sucb as Volvo, Ericsson, Electrolux and Astra are urging him to stick to a reformist agenda, continuing to keep firm control on the public finances, trim the public sector, ease the tax burden and loosen the still rigid labour regime. "The main priority is no turning back," says Mr Eklund.

The companies' argument is that the party must accept these formulas if the country is to return to sustainable growtb. Indeed, the renewers argue fervently that only by doing so will Sweden be able to continue to afford generous welfare provisions. Mr Persson's record as finance

minister bas encouraged the view that he will pursue such a programme. But there are already signs that the necessity of keeping the party together will temper whatever reforming zeal Mr Persson - whose roots are firmly in the working-class mainstream of the SDP - may possess. In January, he

upset financial markets by agreeing to union demands to return unemployment and sick-pay benefits in 1998 to 80 per cent of previous sal-ary levels from the 75 per cent to which they were recently reduced.

It is uncertain what kind of a prime minister Mr Persson is going to be," says Professor Olof Ruin of the political science department at Stockbolm University. "My feeling is be is more of a reformer than a traditionalist, but he is bound to try to keep the party together."

The new leader will seek to beal the divisions in the SDP which have led to a sharp fall in the party's popularity. From more than 45 per cent of the vote in the 1994 election, the party's poll ratings bave tum-bled to less than 35 per cent. One poll early this year put Mr Blidt's conservative Moderate party ahead of the SDP for the first time ever.

Disgruntled voters bave been deserting the SDP in droves to the Left party (the former communists) and the Environment party. In elections for seats in the European parliament last September, these two anti-EU parties together polled 30 per cent of the vote, while the SDP slid to 28 per cent, its lowest result in a national election since 1911.

But Mr Persson has one valuable card in his hand: the Left and Environment parties would never support a right-of-centre government. leanwhile, the four-party alliance that made up Mr Bildt's 1991-94 coalition has fractured, with the Centre party forming an informal alliance with the SDP. The Liberals and Christian Democrats have slipped far down the polls, leaving Mr Bildt's Moderates with little prospect of forming a government after the next election in 1998.

"In the present situation, the Social Democrats are doomed to rule." says Prof Ruin. This should give Mr Persson the leeway to pursue a bold, reformist course. The question is whether he believes such a course is required to restore the prosperity and self-confidence Sweden enjoyed in past decades.

# BSERVER

### Leonard of Arabia

A small cloud has appeared on the horizon at Garsington, the Oxfordshire village famous across Britain for its out-door operas. This time it'a not the locals who are kicking np a fuss about noisy opera singers, but the leading man himself. Leonard Ingrams, brother of former *Private Eue* editor Richard Ingrams, is decamping to

Ingrams, a director of merchant bankers Robert Fleming, is joining Bahrain's Arab Banking Corporation as chief operating officer. He knows the area well. When he was working at Barings. the family bank, he was seconded to the Saudi Arabian Monetary. Agency, where he worked alongside David Mulford, the former US Treasury star who now heads Credit Suisse First Boston.

Ingrams is one of those rare birds who enjoys working in Saudi Arabia more than in London. So after a brief interlude back at Barings in London he returned as chief adviser to Sama's governor in the 1980s. "When I went Sama had \$15bn of assets: when I left it was up to \$165bn," says Ingrams.

Clearly Robert Fleming, where he has worked for 11 years, didn't make the most of his Middle East connections. So when he got the call from Ahmed Abdullatif, ABC's chief executive and former deputy

governor of Sama, Ingrams jumped at the chance of returning to his

One (no doubt scurrilous) suggestion is that he has been recruited to apply his first class mind to one of ABC's unspoken problems - how to sever its Libyan connection, which upsets the Americans. Nevertheless, his return to the

Middle East at this stage in his career - he is 54 - is strange. especially since his Garsington opera, a mini-Glyndebourne, is gearing up for its next high-brow season. Ingrams insists that the show will go on, and that he will be choosing next years' productions. Indeed, he is toying with the idea of Mozart's "Die Entfilhrung aus dem Serail". How appropriate.

### Reader's dyspepsia ■ They're going to have to rename

Pleasantville, the sleepy Westchester County headquarters of Reader's Digest, in New York state. Yesterday the company said it was cutting 100 jobs at Pleasantville, as part of a global staff bloodletting.

The Digest likes to make out it's a caring organisation, but in truth it's always been something of a snake pit. On Christmas Eve in 1965 its founder, DeWitt Wallace. used a staff party to summarily dismiss his long-standing general manager, Al Cole, and to demote

Cole's protege, Fred Thompson. who also happened to be Wallace's

At least the remaining Unpleasantville staff will still be able to enjoy the wonderful art collection, carefully acquired by DeWitt and his wife Lila, and which decorates the corridors. It's described by local staff as "priceless"; unlike the staff.

### Chocks away

■ A bold recommendation yesterday from Jacques Douffiagues, the former transport minister charged by the French government with coming up for a location for a third Paris' airport. Out of his hat he pulled Santeuil, so far to the south of the capital that it's practically in Orleans. An odd choice, perhaps - except it's near the district he long represented as a local and national politician

### Whitewater scare

■ New Yorkers - wbo have survived the snowiest winter on record - are now suffering the wrong kind of thaw. Commuters heading home to New Jersey were held up for two hours on Tuesday night, when the upper deck of George Washington Bridge was closed because chunks of ice the size of table-tops were falling onto the roadway.

And on Wednesday morning the rush-hour was disrupted, as drivers unused to sunshine were dazzled by the unaccustomed glare. The same New Jersey-ites, this time heading eastwards, couldn't see where they were going, having left their sunglasses at home.

### Molotov's cocktails

Ruffled feathers at the very pukka Sind Club, watering hole of the Pakistani and foreign elite in Karachi. Months of political violence have prompted them to bring along their Kalashnikov-toting bodyguards, despite repeated admonitions from the clnb secretary. "This practice is causing a great deal of inconvenience to other members," he says in a stern notice. "Please refrain from bringing armed guards into the Club premises."

### Last word

■ It was the Ides of March and Mark Anthony, Caesar and Brutus had arranged to watch their local soccer club play an important away fixture. The day was not going well. The visitors were trailing badly and Brutus had been delayed in the Rome traffic and missed most of the first half. At last he arrived and breathlessly asked his friends for the score.

Caesar turned to tha late arrival

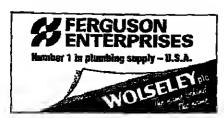
and replied sadly: "8-2, Brute."

Financial Times

### 50 years ago Durban deep strike

Johannesburg:- Miners at three shafts of the Durban Roodeport Deep Company refused to go underground on the morning shift as a protest against the expulsion of one of their number from the mineworkers' union and his dismissal from the company. Men at one shaft each of the Consolidated Main Reef Mines and Estate and Rand Leases Gold Mining Company struck work in sympathy. The Durban Deep men later issued a statement emphasising that they had no quarrel with any management and that the stoppage was directed against the Mineworkers' Union. "We demand," says the statement, "the immediate election of shaft stewards on every sbaft at every mme throughout the reef and in coal mines, and from the men elected a new mineworkers' union will then antomatically come into being."

Gen. Mntors after the strike New York:- The settlement of the General Motors strike on Wednesday afternoon has paved the way for a volume production of automobiles originally expected months ago. The new two-year pact provides an 18% cents hourly wage increase for 175,000 employees in 92 plants in 50 cities.



# FINANCIAL TIMES

Friday March 15 1996



Commission favours area south-west of city

# Protests over site chosen for third Paris airport

By Andrew Jack in Paris

18

The third airport for Paris should be built south west of the French capital close to the cathedral city of Chartres a government commission recommended yesterday. Mr Jacques Douffiagues, a for-

mer transport minister, said his commission had picked an area encompassed by the communes of Santeuil, Beauvilliers and Sainville, in the Eure-et-Loire departement of Central region. The airport is due to be built in the next cectury.

The announcement was greeted with disappointment in the Picardie and Haut Normandie regions, which had proposed rival sites and lobbied streouously for them over the last few

Mr Charles Baur, head of the regional council for Picardie, north of Paris, which had offered three sites, described the choice

for economic as much as technical reasons". The announcement also prompted protests in the area chosen that they had not been consulted by the commission and had known nothing about the decision until they had

read leaks in the press. Mr Douffiagues said all the sites examined bad been proposed by elected politicians, and that it was the government's responsibility, not the commission's, to carry out consultation

and make the final decision.

Mr Bernard Pons, the minister of transport, and his junior minister, Ms Anne-Marie Idrac, last night said they had "taken note" of Mr Doufflagues' recommenda-tions, and would host hearings for all three regions examined. In 1994, the government put forward a plan to build a third

runway for Charles de Gaulle airport, north of Paris. This was greeted by public protests, and Mr Douffiagues was appointed to examine all the options for handling the growth of air traffic in the Paris region.

That report concluded last year that both Charles de Gaulle and Orly airports, to the south of the city, were close to saturation and that in the long term there was a need for a third airport.

It estimated the current costs for an airport of 30m passengers a year at FFr20bn (\$3.9bn) before road and other forms of access. Last November Mr Pons and Ms Idrac appointed Mr Douffiagues's commission to examine where the third airport should be built. Mr Douffiagues yesterday said the airport would be needed

between 2015 and 2030, and with the potential for considerable "We need to reserve a site as a safeguard. The challenge is to ensure we are not reproached by our children for creating a situa-

## US, EU split over military aid to Bosnian government

By John Barham in Ankara, Lionel Barber in Brussels and Rance Clark in London

US and Turkish officials will today host a conference on providing military aid to Bosnia, amid strong European com-plaints that the rearmament plan is likely to undermine the peace

The conference has been criticised by the French foreign minis-try, which said the priorities in Bosnia ahould be stability and reconstruction rather than weapons procurement, it has also been criticised by officials close to Mr Carl Bildt, the international mediator in Bosnia

US officials said last night they were seeking to arrange a meet-ing of Balkan leaders and western governments in Geneva next week. The European Union. which is maintaining an arms embargo on Bosnia, Croatia and Serb-led Yugoslavia, will be represented at today's conference only by an observer. Separately, some member governments will also send junior officials. In defence of the conference,

US officials have said that military aid to Bosnia was clearly envisaged in the Daytoo peace agreement, and was one of the conditions under which Bosnian president Alija Izetbegovic signed the accord

Washington also says military aid will not be forthcoming unless the federation of Bosnian Mosiems and Croats, which makes up 51 per cent of the loosely constituted Bosnian state, is successfully united.

Croat-Moslem co-operation has come under increasing strain recently, but the Bosnian and Croatian prime ministers met vesterday and said they did not believe problems were insoluble. A British foreign office spokes-

man said London accepted the egality of military aid to Bosnia, but a seulor UK official said Britain "bad never been enthusiastic" about the US-sponsored rearmament programme.

Military Professional Resources incorporated, a US company staffed by retired generals, confirmed yesterday that it was among the bidders for a contract to help upgrade Sarajevo's armed forces. General Ed Soyster, a former head of the Defence Intelligence Agency who is now chief spokesman for MPRI, said bids bad to be submitted by next Monday and he understood that at least two other companies were

planning to make bids.

MPRI's management includes

### tion as congested as that in the airports of Paris today," he said. as "an error on a national scale Forbes bows out and backs Dole as Republican nominee

By Jurek Martin in Washington

Mr Steve Forbes, \$30m poorer but still believing the money was well spent, yesterday bowed out of the race for the Republican presidential nomination and grudgingly eodorsed Senator Bob Dole for the task of trying to unseat President Bill Clinton in November.

The millionaire publisher said be would work "wholeheartedly" for the majority leader, but only mentioned Mr Dole's name at the end of remarks about his own campaign. He suggested the Republican party had some way to go to "re-establish its credentials with the American people". Mr Forbes reiterated his policy

positions from the flat rate income tax to bealthcare reforms, many of which Mr Dole bas expressed only muted interest.

Mr Forbes's 25-week campaign was initially dismissed with derision, but caught brief fire in early primaries in Delaware and Arizona, where be beat Mr Dole. But in seveo primaries last Tuesday be could only manage one second-place finish.

Mr Forbes's friends, led by Governor Christie Whitman of New Jersey and Mr Jack Kemp. the former bousing secretary. have spent much of the last 24 hours trying to mend fences with Mr Dole. Bad blood has existed between them after the publisber's ferocious TV commercials assailing Mr Dole as the embodiment of a failed political estab-lishment in Washington.

Governor Whitman said she hoped Mr Forbes would be invited to serve as a Dole delegate at the party convention in August, But Mr Kemp said be regretted that Mr Dole had not solicited Mr Forbes's support, thereby displaying, be said, "no magnanimity in victory".

The immediate practical conse quence of Mr Forbes's withdrawal is that Mr Dole will probably clinch the nomination in the four Midwestern primaries next

Exact delegate counts vary, but the 229 at stake in Illinois, Ohio, Michigan and Wisconsin could give the majority leader the 996 needed. He now has about 750, plus most of the 70 pledged to Mr

But Mr Pat Buchanan, the only other remaining candidate, showed no signs of bowing out. in Toledo. Ohio, he appealed to the publisher's supporters by saying be would work to include Mr Forbes's flat tax proposal in the Republican party platform.

The conservative pundit repeated warnings to Mr Dole that be was prepared to lead his backers out of the party if his policy demands were dropped from the platform. He also pre-dicted that a Dole nomination increased the chances of an independent or third party candidacy in November. "My guess is Ross Perot [the 1992 independent contender] will run ... and that hurts the Republican party."

Could have done better. Page 16

known as margin - on a daily

its members faces. "If members start to have ont of the ordinary positions or exposures, alarm bells start to ring."

The agreements to be announced at the International Futures Industry conference in

Uoder pressure to reduce costs and improve the level of service for members, a number of exchanges are examining alliances and trading links. This has been a theme of the conference. Earlier this year the Chicago

Board of Trade and the Chicago Mercantile Exchange the world's two biggest derivatives exchanges, announced they were examining co-operation and

sternest test yet. Mr Jürgen Dormann. chairman, has admitted that the group's pharmaceutical arm does not sit comfortably within its mainstream chemicals business. He should now follow through and spin it off.

whelming Strengthened by last year's \$7bn purchase of Marion Merrell Dow, Hoechst's drugs business is the world's fourth largest, on a par with Merck of the US which is capitalised

On top of that, a free-standing phar-maceuticals company would be in a better position to participate in the industry's consolidation. It could theo contemplate an all-share merger on the lines of the Ciba/Sandoz deal in Switzerland. And, as BASF's purchase yesterday of a Japanese drugs com-pany shows, even the Germans are becoming aware of the need for global

Clearly, it would be wrong to value Hoechst's drugs business as highly as Merck which has much better margins. But the margins at Hoechst are improving rapidly, from 10 per cent in 1995 to an estimated 15 per cent this year, with a 20 per cent target by 1998. With a demerger coming into the frame. Hoechst's shares look ridiculously undervalued.

The merger of the various retailing interests of Germany's Metro has plenty of sbort-term benefits. Not least, bringing together Asko, Deut-sche SB-Kauf and Kaufnof Holding will tidy up a messy share structure. There are also considerable financial advantages. The company estimates that it will save an estimated DM400m (\$270m) by cutting out duplications. And it will be able to make use of substantial tax losses in Asko, the

poorly performing specialist retailer. However, there must be some donbt over the attractions of a huge retailing conglomerate to investors. Although the group insists it will be highly decentralised, the holding company will preside over a botch-potch of bust nesses of varying quality. Judging by the history of diversified retailers in the UK, fixing problems in one bust-

### THE LEX COLUMN

ness without letting any other balls

fall to the ground is no easy feat. Of

course, the new group will have sub-stantially greater financial fire-power;

and, as a market leader in a range of retailing sectors, considerable clout, which it may be able to use to expand

into foreign markets. If the hoped-for

improvement in the German retailing

environment fails to materialise, it

have the right intentions, setting goals of a post-tax return on equity of 15 per cent and a progressive dividend policy.

This attention to maximising share-

holder value is refreshing in a German company. The test will be whether the

senior management will be prepared

to get rid of any bits of the business

which it cannot get right.

At least the management seems to

may well need to.

# Hoechst's half measures

Hoechst's avowed commitment to FT-SE Index: 3681.8 (+41.5) shareholder value is about to face its Share price relative to the DAX Index The logic behind such a step is over-

at over \$80bn. Yet the entire Hoechst has a market value of just DM27bn (\$18bn); and that includes a chemicals business which made operating profits of DM2.1bn on sales of DM40bn in 1995. There are German tax problems to overcome and Hoechst is still in the process of integrating Marion Merrell Dow. But the scope for a demerger to unlock value is clearly enormous.

Mr Ian Strachan, BTR's new chief executive, is trying to break the conglomerate's obsession with profit margins and focus on sales growth. Most of that growth will come from following big customers, like the car makers, into the developing markets of South America and Asia. It follows that BTR will accelerate the disposal of its remaining non-manufacturing interests to concentrate on a smaller range of truly international businesses Acquisitions and cost cutting will continue to play a part, but from now on capital investment and marketing will receive greater attention, BTR has been groping its way towards this global strategy for several years, but it has taken Mr Strachan to pull it together.

The group's 1995 results show bow much work there is to do. Underlying sales grew by 6 per cent and profits by only 5 per cent, though that was

partly due to poor performances from Taiwanese polymers and rail contracting - which have both been declared non-core. More of a worry is the weak cash flow. After interest, tax and capital spending, the cash cover for the dividend was less than 0.6 times. Fortunately, BTR stands to collect £1.1bn as its remaining warrants convert over the next three years and interest

cover is a healthy 10 times.

Given BTR's size and a dull eco nomic background, sales growth will not accelerate overnight. But after share price underperformance of 30 per cent over the past three years, the mere fact that the group has a coherent strategy and is starting to communicate it more effectively should give investors some comfort.

### Enterprise Oil

The City's love hate relationship with Enterprise Oil appears to be on again. Yesterday's 43 per cent jump in profits fuelled the recent recovery in the share price. At long last, the company seems to have been forgiven for its indiscretion with Lasmo. More importantly, Enterprise has finally proved that it does not need another acquisition to fill the gap left by the failed 1994 bid.

The company's scatter-gun approach to organic expansion has paid off; it now has a portfolio of assets which has restored confidence in its long-term future. In a year of significant cant production growth, Enterprise aged to replace more than 200 per cent of reserves. It plans to increase output from 200,000 barrels of oil a day last year to 300,000 by 1999.

lts Italian venture may have taken time to come good, but it now looks likely to exceed all expectations. Only a small amount of oil has been booked so far, but production could rise to over 100,000 barrels of oil in a few years time. Further ahead, the com-pany also has a reasonable spread of prospects in Australia, Peru, Vietnam and Cambodia. So far, the increase in Enterprise's asset valuation resulting from recent finds fully justifies the share price rise. Should it wish to, it is now in a strong position to fund a takeover with cash or shares.

The only immediate blot on Enterprise's borizon is the oil price. Higher prices helped the company last year, But with North America's cold winter coming to an end and the possibility of Iraqi oil exports re-entering the market, the outlook for prices this year is

> Additional Lex comment on Mirror Group, Page 26

Continued from Page 1

150 of the 380 lawsuits filed against banks and insurers. Mitsubishi, which said that Mr Olshi's claims were unfounded, admited that it faced some litigation, but would not specify the number of cases.

The bank said that it was willing to renegotiate the terms of the loans to ease the burden on its customers.

Life insurers and banks also deny that they misled customers.

# Bank protest | Deal on securities risks

Continued from Page 1

basis against their exposures, exchanges usually have a clear idea about the risks that each of

Mr Mackeonis said.

Boca Raton, Florida, underline

the mood of co-operation among derivatives exchanges.

could eventually merge.

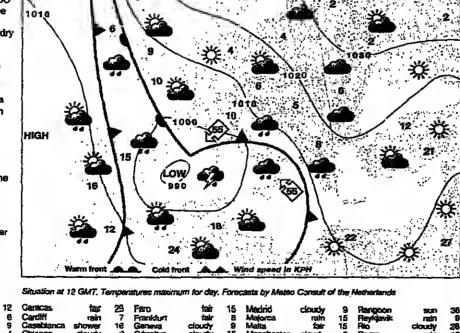
### General Frederick Kroesen, who used to command the US army in Europe. The firm was contracted last year to help the Croatian army, but it insists that its help has been in "non-lethal" areas such as civil-military relations, and denies baving given any A2000 Holding N.V. (Incorporated with limited liability in The Netherlands) weapon training. Transatlantic row looms, Page 3

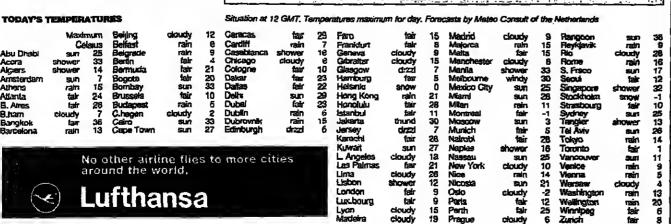
### FT WEATHER GUIDE **Europe today**

Milder air from the south will raise afternoon temperatures above freezing across the continent. Maximum temperatures will be around 15C in southern Europe and above 20C over the eastern Mediterranean. A disturbance will produce cloud and rain in Ireland and Scotland. South-eastern England will remain dry with surmy spells. A series of low pressure areas will produce abundant rain in southern and western France, the Pyreneees, Italy, the Balkans and Greece. Some showers may be accompanied by thunder. The rest of Europe will remain dry although southern Scandinavia will have cloud and snow. Cloud will prevail in most of eastern Europe but eastern Turkey,

### Russia and the Benelux will be sunny. Five-day forecast

Cloud and rain will spread from southern to south-eastern Europe during the weekend. The UK will be rather cloudy with patchy rain but will turn drier early next week. Cloud will increase in the Benelux and Germany where temperatures will be about 8C during the weekend. Eastern Europe will also turn warmer and cloud will decrease. High pressure will continue to promote plenty of sun in most of





This announcement appears as a matter of record only.



Kabeltelevisie Amsterdam B.V. (Incorporated with limited liability in The Netherlands)

United and Philips Communications B.V. US West International B.V.

NLG 475,000,000

**Project Finance Facility** 

to finance the upgrading of the Amsterdam cable

Arranged by ABN AMRO Bank N.V.



**FINANCIAL TIMES** 

# **COMPANIES & MARKETS**

**©THE FINANCIAL TIMES LIMITED 1996** 

Friday March 15 1996

for a wealthier business and a healthier life phone Robert Hartley on 01952 293262

Telford.

### IN BRIEF

contract.

declared the weak and capi-

for the

Des. Form 21.1bn

con er:

interest

duil eco.

with will

But after

100 of 30

ears, the

a cober-

) commu-

ould give

ationship

AMELY III

, the own.

Filten for

mat. More

As Cooling

n abouter William in-

TANK D

ತು. ನ∵ಚ

HW Anich

But space

English Section

Mar. 1917-1

£ : =

perseibu.

n h

to be cn at James 🚉

### Metro sees rise as it clinches merger

Metro, Germany's large retailing, discount and cash and carry group, forecast a sharp rise in profits and sales following final agreements to merge with its independently run subsidiaries Asko, Deutsche SB-Kauf and Kaufhof Holding. The merger follows several months of detailed negotiations to buy the stakes of minority shareholders. Page 20

Siemens Nixdorf buys 10% stake in Vobis Siemens Nixdorf, the computing subsidiary of Germany's Siemens group, has acquired a 10 per cent equity stake in Vobis, another German personal computer manufacturer, as part of its strategy to grow its PC operations. Page 21

Seagram operating profits slide 8% Seagram, the Canadian drinks and entertainment group, saw an 8 per cent drop in operating profits to \$234m in the fourth quarter, despite a 55 per cent rise in revenues to \$3.7bn. It also warned of lower cash flow in the period to June 30 this year. Page 24

US acquisition lifts Rockitt & Colman Reckitt & Colman, the UK household products group, appears poised for double digit growth in earnings per share following the successful integra-tion of Lehn & Pink, the US group it bought last year. The first benefits from L&F showed in the rise in 1995 pre-tax profits before exceptionals to £417.8m (\$639m), against £160.2m. Page 25

		_	_			
OH	ıpan	les	in	this	issue	

AGF	20	Kredeltbank	
ATST -		Land Flover	
Airbus	.9	Legal & General	
Apple Computer	24		
Argentaria	28	Liberty Life	
AssiDoman	21	Liggatt .:	
BASF	19	Lucas	
BNP	20	MGA	
BTR .	18, 19	McDonnell Douglas	
Baxter	6	Mercedes-Benz	
Bayer .	a	Metro :	
Benetton	. 22	Minorco	
Boeing	6	Mitsubishi .	
British Petroleum	a	Monsanto .	:
CCB	-20	Movempick	
Cathay Pacific	200	National Power Corp	:
Citic	23	Nediloyd	
Conmon	24	мирроп гом	
Credit Local	20	Nissan .	
Daf Trucks	22	Nobel Drilling	. 2
Delhatsu	6	Olympic Airways .	٠.
Dayton Hudson	24	Pepa Co	. 2
Deutsche Telekom	. 19	Philip Morris	
Dole	24	Pohang Iron & Steel	2
E-Plus	21	Proton	
East Asiatic Company		RJR Nabiaco	
Egis	21	Reckitt & Colman	2
Enap		Reuters	
Enterorise Off		Retarn	. 2
Escons	21	Richter Gedeon: .	2
_ Exco	25	SBC Warburg	2
Freeport		SME	- 2
GEC	25	Seegram: Seers, Roebuok	2
General Mills	24	Siemens Nodorf	2 2 2 2 2
General Motors	6	Smith Berney	
Grand Metropolitan	. 6	Stet International	-
Green Cross	6	Stand .	

### Market Statistics

Annual reports service	30-31
Benchmark Goyl bonds	· 28
Bond futures and options	28
Borst prices and yfelds	28
Commodities prices	27
Dividends ennounced, UK	25
EMS currency rates	29
Enrubono prices	. 28
Fixed Interest indices	28
FUSSP-A World Indices	48
FT Gold Mines index	34
FT/ISMA inil bond sw:	28

FT-SE Actuaries indices Foreign excherige Gits prices London share service Managed funds acrylice Money markets New intl bond feares Recent Issues, UK Short-term int rates US Interest rates World Stock Markets

Telemetrix Toyota

Vobis

# Chief price changes yesterday

	PRARITERY.	DED						
	Rista				ER Aggitaine	348.2	+	8.8
	Kerstick	562	.+	.15.9	Suez	1923	+.	52
٠,	VBW	480	+	16	Technip	440	+	11,5
	Zanders Falcos -	81	+	5	Valeo	265.5		
4	Palie.				Palls .			
	Alterna	960	-	27	Docker de Fr	872	_	41
	Porsche	782	-	18	TOKYO (Yes)			7.
•	Schambach Lub		-	13	Rises			
	MEEN AOUNT IS				. Honskut Paper	648		36
	Mises .						+	37
	Barnes & Moles	32%	+	336	Nachi Pullinshi	502	+	
	Capco Auto	12	+ .	434	Nippon Yalda	488		
	John Wiley A	334	+	294	Nicetals Cil	811	-	49
	Palis Big Flower		٠.		Shionogi	<b>859</b>	٠.	51
7	Blg Flower	```11 <b>%</b>		474	Palls			
	Office Depot	. 19%		3%	- CSX	2510	-	130
	Teradyma	10%	-	156	HONG KONG	G Inca)		
	LONDON (Per	(es		-	Rises '			
	Risea .	4		2.	Deh Hem inti	8.35	+	. 0.65
	Blacks Late .	87	. *	. 6	Lucioy Man Prop	6.7	+	0.5
	Contis Cone .	53	+	. 6	Mgal Hing Hong	7.6	+	
	W	420		33	Falls	•	-	
	Jeyes	133		7	HK Daily Name	1.4	_	0.15
	Pictoriis	. 82	•	′	Légend	0.48		4.15
	Felis	32		13	- rolen	0,10	_	0.105
	Waterhouse &rp		-	13			-	4.10
	TORONTO (C		.•		Charles Co.	11.2		0.7
	Piteres		٠.	1%	Thei-Asia Fd		-	0.3
	Les Lab Aeter	174		116	Bangkok (B	a proper		
	Liquidata Wrid			16	Piece ·			
	Spectral Olan	894	+	145		156	+	14
	Falls	-	٠	A	Hace Micro	143	+	12
	Circo Craft	876		1%	FCT Fin & Sec .	52.5	+	4.75
	Dunder Barco A .	1532	-	2%	Palle .			

# BASF buys into Japanese drugs market

By Jenny Luesby in Frankfurt and Emiko Terazono in Tokyo

Analysts expect similar deals to follow German group's DM500m move

BASF, the German chemicals company, yesterday announced the acquisition of a DM500m (\$338m) ma prity stake in Hokuriku Seiyaku, a Japanese drugs company.

drugs company since Merck acquired Banyu Pharmaceuticals

Similar deals could follow, according to analysts. There are

Hokuriku, which posted sales The move is the first foreign acquisition of a Tokyo-listed

nearly 1,500 drugmakers in the Japanese market, and few have sufficient capital to run effective research and development

of Y15.8bn (\$150m) in the year to March 1995, has a market share of 0.3 per cent in Japan. BASF axid the acquisition would provide a platform from

which to build a share of 1 per cent. Before the acquisition,

Hokuriku said it could achieve this target within 10 years. For-eign participation should acceler-

ate this, said analysts. Japan is the world's secondlargest drugs market with sales of \$53bn last year, up 10 per cent on a year earlier. Previously BASF Pharma had no manufacturing sites in Japan and its market presence was limited to seven drugs sold by three agents.

Hokuriku specialises in antibi-

showing corporate profits hold-

ing up well reveal more about statistics than about profits.

The headline figures for Ger-

many's large companies look

impressive, especially the strong

results reported by chemical

groups this week. In an analysis of top German companies, Com-

merzhank found that profits rose

26 per cent last year, with 15 per

cent annual growth forecast for

this year and the same again for

1997. However, the figures hide a

An increasingly large element of profits stems from foreign

earnings, while domestic earn-

Another important factor is

the delayed effect of the 1992/93

wave of restructuring.

Germany's Mittelstand, the

medium-sized company sector.

has not benefited nearly as much

as large companies. The Mittel-

stand is considered the backbone

of the economy, but it is often

Some of these factors cannot be

s are not require

accurately reflected in statistics.

under German accountancy rules

to publish a regional breakdown

Mr Harald Schmidt, global

financial analyst at Commerz-

of profits.

not included in the statistics.

series of worrying trends:

ings stagnate or fall back.

otics, the peripheral and central nervous system and respiratory diseases. Prescription drugs from its own research account for

around 70 per cent of sales. The company has faced growing competition. Profits last year stood at Yl.Ibn. Yesterday it denied rumours that this year's results would be depressed by losses made in the derivatives market, saying that all its investments were in bank deposits.

to be competitive, it said. cannot compete alone even in the domestic market." said Mr Masanori Ito, Hokuriku'a president. "A lot of companies with sales

smaller than Y50hn are probably looking for a foreign company to buy them out," said Mr Yoshih-Yoda, pharmaceuticals analyst at UBS Securities in Tokyo. BASE said its offer would be presented to Hokuriku's aharebolders on March 18. The com-pany is predominantly privately owned with ebout balf of its share capital owned by 10 people. Another 12.25 per cent is controlled by Searle, a Monsanto affiliate.

Through its Knoll subsidiary, BASF will bid Y1,450 a share for a 51 per cent stake in Hokuriku. Hokuriku's shares rose 9.9 per cent on Wednesday on speculation that the company was a BASF target. Shares closed another 1 per cent higher yester-

# Deutsche Telekom group wins Czech mobile phone bid

By Vincent Boland in Prague

A consortium led by DeTeMobil, the mobile telephony arm of Deutsche Telekom, yesterday won a stake in a Czech GSM digital mobile telephone licence, one of two being offered to introduce competition to the market for the

Pledging to invest Kc5.5bn (\$200m) to develop a digital net-work and to offer "one of the lowest GSM tariff regimes in Europe", the consortium, TMobil. won against competition from five other international bidders. DeTeMobil owns 84.5 per cent of TMobil, Stet International of Italy has 12 per cent, and three

local investors, the computer groups PVT and TMP, and SIS, a financial investor, own the rest. TMobil won 6 49 per cent stake in the licence. Ceske Radiokomunikace (CRK), the Czech radio transmission group, will own 51 per cent. They will form a joint venture to develop and operate the network, but TMobil will

The German-led consortium tive tariff package. The government had put a weighting of about 50 per cent on the affordability of the new service, out of the four main criteria on which each hid was judged. The other

Richard Lapper, In Boca Raton, Florida

Two of the world's biggest futures exchanges have reached

an agreement with Reuters, the

international news and financial information organisation, to

reshape the use of the Globex

The arrangements, expected to

come into effect in May, will

allow the Chicago Mercantile

Exchange (CME) and the Paris-based Matif greater flexibility to

develop links with other futures markets than they enjoy under

Reuters will also be free to sell

its electronic services to other futures markets. "It is a much

more flexible agreement," said

Ms Rosalyn Wilton, managing

director of transaction products at Reuters. "We are able to grow

our business and they have the

freedom to decide how best to grow theirs without restrictions."

launched in 1992, have been con-

strained in the extent to which

they can link with other exchanges. At a time when

futures markets are looking to

alllances to save costs and

improve service these restrictions

have made Globex less attractive

The Chicago Board of Trade

(CBoT), which last year

announced a trading link-up with

to other exchanges.

Until now parties to Globex,

electronic trading system.

the existing Globex agree

have management control.

erage, quality of service, and the funding of the joint venture. TMobil's tariff structure is

understood to consist of three packages. A "diamond" package will target heavy mobile users, "economy" will aim at private users, and a "manager" package at those in between

Each has different rates for call charges, monthly service fees and the amount of free minutes per month. A standard connection fee of Kc3,000 applies to each customer. Mr Karel Dyba, the Czech economy minister, said the tariffs would be about half the level of those in Germany, although TMobil declined to comment.

After a joint venture agreement is signed between TMobil and CRK, probably on March 25, the stage will be set for a period of intense competition in the mobile market. Demand for keenly-priced mobile services is expected to be high because of the low penetration of fixed-line services. TMobil will be competing with

EuroTel, a joint venture between the national fixed-line operator, SPT Telecom, and Bell Atlantic and US West, which already offers analogue mobile telephone services in the Czech Republic and Slovakia, and which will be

awarded the second GSM licence. TMobil is expected to launch in September, and to have 90 per cent coverage after 30 months.

the London International Finan-

cial Futures and Options

Exchange, dropped out of Globex

nacies on progress and experi-

ence suggested we don't need

them," aaid Mr Jack Sandner,

CME chairman. Mr Sandner said the CME would invite the CBoT.

its rival, to rejoin Globex, which

could assist the two exchanges to

develop co-operation plans

announced earlier this year. These discussions could lead to a

Under the new Globex agre ment, Matif and the CMB will

pay Reuters a fixed fee each year for capacity on the system rather

than a fee per transaction, as is

charged under the current con-

tract. Fees paid to Reuters by

exchange members for the use of

Globex terminals will also be

reduced. Firms accessing through

CME or Matif will pay only \$800 a

year, compared with the \$1,200

chairman, said the agreement

made Globex more like a utility

At Matif trade over Glober

amounts to between 10 and 15 per

cent of the total, compared with 1.5 per cent at the CME.

tracts traded over Globex

reached 7.2m in 1995 and is now

running at more than 700,000 a

Worldwide the number of con-

Mr Gérard Pfauwadel, Matif

previously charged by Matif.

merger of the two markets.

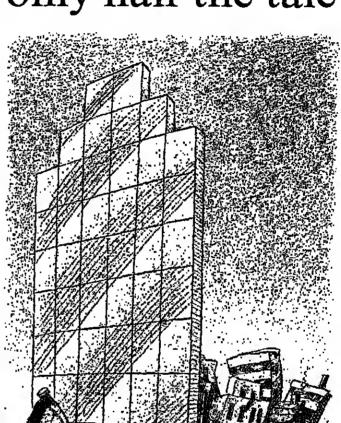
"The restrictions had been bar-

Exchanges agree to

restructure Globex

in 1994

### Wolfgang Münchau on the worrying trends facing German groups When a strong erman economists are usually among the last people in the country to recognise a recession, in spite of bottom line tells falling economic output and rising unemployment. One of the frequently cited arguments why Germany is not in recession is only half the tale the "strength" of corporate profits. Unfortunately the statistics



Big companies' figures look good . . . but bankruptcies are rising fast

bank, said the high proportion of dividends that arise out of foreign earnings signals "an indica-tion of how bad the situation is at the moment... Without doubt we can speak of recessive tendency or even a recession if you look at this development." The construction sector has virtually collapsed this winter, an early sign of trouble to come Mr Schmidt says the rise in the D-Mark last year is one of the key

factors undermining competitiveness. He sees little room for a boom unless the D-Mark softens. pointing out that Siemens, the electronics group, budgets about DM2.5bn (\$1.7bn) a year for losses arising from the strong D-Mark and price falls.

Siemens typifies the tendency of German companies to earn an increasing proportion of their income abroad. This is also reflected in investments. Firstquarter foreign turnover at Sie-

was up 20 per cent, while domestic turnover fell 10 per cent. Staff levels were up 2 per cent abroad over a three-month period, while in Germany they fell 1 per cent. Mr Martin Putz, director of economics and marketing at IKB Deutsche Industriebank in Düs-

ited relief as there was no evidence of strong foreign demand. Mr Hans Tietmeyer, president of the Bundesbank, said this week the pattern of German exports was going through an upheaval, as demand from western Europe fell rapidly, while eastern Europe and Asia became more important markets.

generally cope with such rapid shifts, small and mid-sized companies find it much harder. The Mittelstand, once viewed as the pillar of Germany's industrial strength, is now seen as one of the main causes of its decline. Its profits, on aggregate, are beading towards zero, it proves less adept at adjusting to changed markets than large companies; and it did not restructure nearly as much.

Mr Jürgen Bock, president of the union of mid-sized compa-nies, said: "Mid-sized companies behave differently from large companies. When a Mittelstand company hits trouble, it continues until it is finished. The last thing it would do is to dismiss its workers." As a result, its substance eroded, while its aggregate assets shrank.

He said the return on turnover for the Mittelstand averaged 1.4 per cent, which compared with 7.8 per cent in England, "a country we used to look down on". A return of at least 5 per cent was needed for the situation to return

The gulf between Mittelstand and large companies has led to unprecedented discord in German employers' federations. They find it increasingly hard to draw up a strategy for all employers to rally behind in their tussles with the trade unions. The Mittelstand, traditionally the sector industrial relations, stands with its back to the wall, still reeling from last year's wage round. which has brought many companies closer to the edge.

German bankruptcy statistics are one of the more reliable indicators of what is happening in the economy. Creditreform, the financial information agency, said corporate insolvencies increased 15.5 per cent last year. and were especially high in eastern Germany. This year, Creditreform estimates a 5 per cent rise in west German insolvencies to 23,000 and a 35 per cent rise to 9,500 in the east.

Whether the squeeze on the corporate sector will bring about a recession, or whether it is merely an expression of a temporary weakness will not be resolved for some time. German economists define a recession as an annual fall in output year on year, rather than a fall during two consecutive quarters, as in Anglo-Saxon countries. But anyone who believes the economy is not as bad as it looks had better turn to arguments other than

### seldorf, expects further stagna-tion in 1996. Recent weakening of mens in the 1995/96 financial year the D-Mark would bring only lim-Although large companies with "strong" company profits. BTR to accelerate non-core divestment

By Tim Burt in London

the industrial conglomerate, yesterday said It would accelerate its withdrawal uon-mauufactnring operations after reporting a 8 per cent increase in full-year profits.

Although the company exceeded expectations by lifting pre-tax profits from £1.41bn to £1.5bn (£2.29bu), it hinted that it would sell or scale back its noncore polymers, construction and North American aggregates operations.

Falling demand and weak prices in those areas dented an

otherwise robust performance by BTR'a industrial and consumerrelated operations, which belped lift operating profits from

£1.48bn to £1.58bn. Mr Ian Strachan, unveiling his first figures since becoming chief executive in January, said: Divestment of non-core businesses has accelerated and we will continue the refinement of

the portfolio." Further disposals are expected under the restructuring launched by Mr Alan Jackson, Mr Strachan'a predecessor, who last year raised approximately £900m from the sale of businesses such as Dunlop Slazenger

and Tilcon, the UK aggregates subsidiary.

Mr Strachan predicted acquisitions would continue at a pace similar to 1995, when BTR spent £720m on 11 companies including Varta, the German batteries manufacturer, and Gencorp, the US vibration controls company. He also hinted that the group would scale back its consum related businesses, while retaining its packaging and paper technology interests.

The consumer-related sector had the largest growth of BTR's main operating divisions with profits up 18 per cent to £342m. BTR's five product areas - consumer-related, industrial, transportation, construction and control and electrical power systems - contributed sales of £9.78bu (£9.44bn). Mr Strachan said it was a credible performance given the "ferocious" competition in the US automotive sector and slowing demand in the construction industry.

Fully diluted earnings per share rose from 22.7p to 24.9p. The group recommended a final dividend of 9.15p (8.3p), making a total for the year of 14.69p or 16.075p including the enhanced foreign income dividend paid at the halfway stage. Lex, Page 18

THERE ARE SOME FIIGHTS THAT YOU NEVER OT TXLW END.

world class long jumper never wants to come back down to earth. At Delta, we believe that every single passenger from any of our ADelta Air Limes 00 flights arriving daily in our home town of Atlanta for this year's Olympics, should be made to feel the same way about their flight.

You'll love the way we fly

### INTERNATIONAL COMPANIES AND FINANCE

### **EUROPEAN NEWS DIGEST**

### Kredietbank ahead 10% at BFr11.55bn

Kredietbank, Belgium's third largest bank, yesterday unveiled a 10 per cent rise in 1995 net profit after minority interests, to BFr11.55bn (\$381m) from BFr10.49bn a year earlier. Gross income rose 8.8 per cent to BFr65.28bn from BFr59.98bn in 1994 and included net interest income of BFr48.58bn, against BFr46.16bn, and BFr16.7bn of other income, against BFr13.82bn, the bank said.

Operating costs rose 7.1 per cent to BFr39.84bn from BFr37.3bn, due to a one-off charge from a change in VAT regulations and higher costs of the Spaarkrediet unit acquired in January 1995, it said. Depreciation, write-downs and provisions rose 82.4 per cent to BFr11.59bn, from BFr6.35bn a year earlier, and included an 88.2 per cent rise in credit risk provisions to BFr6.46bn. it said. Write-downs in 1994 were substantially depressed by write-backs of country risk provisions, it said. The board is proposing a net dividend of BFr235 out of 1995 profits, against BFr215 a year earlier.

### Minorco quashes rights talk

Rumours of an impending and substantial rights issue by Minorco, the Luxembourg-quoted natural resources group controlled by the Anglo American Corporation of South Africa, were quashed yesterday by Mr Hank Slack, the chief executive. "It is the furthest thing from our mind," be insisted after announcing a 60 per cent increase in Minorco's earnings before tax and exceptional items to \$665m.

There was speculation that Minorco would use the rights issue cash to take over Diamond Fields Resources, which discovered the Voisey's Bay deposit in Labrador, expected to become the world's biggest and lowest-cost nickel mine from 2000 onwards. Mr Slack confirmed Minorco was taking a keen interest in the corporate manoeuvres surrounding Voisey's, 'It is a very attractive project and we are attracted to projects like that," be said. Kenneth Gooding, Mining Corresponden

### FT/S&P Actuaries World Indices

The FT/S&P Actuaries World Index Policy Committee carried out full reviews of Belgium and Denmark at its quarterly meeting on March 11 and decided on the following constituent changes, to take effect from April 1 1996: Beigium. Additions: BBL VVPR (112); Electrafina VVPR (212).

Deletion: GIB VVPR (491). Denmark: Additions: Kobenhavens Lufthavne (301): Coloplast B (431): De Dansk Luftfartselskab – 50 per cent investibility weighting (301). Deletions: D/S 1912 (303); D/S Svenborg A (303); ISS A (481); Aalborg Portland A and Pref. (611); Portagua

The Committee confirmed that Indonesia and The Philippines will be added to the Indices on July 1 1996. The following changes to the previously proposed constituent lists

The Philippines. Addition: Southeast Asia Cement Holdings (investibility weighting changed to 30 per cent). Deletion:

Indonesia. Addition: Telekomunikasi Indonesia (20 per cent investibility weighting).

The FT/S&P Actuaries World Indices are jointly compiled by FT-SE International, Goldman, Sachs & Co, and Standard & Poor's in conjunction with the Institute of Actuaries and the

Faculty of Actuaries. NatWest Securities Limited is a

All enquiries should be made to Steven Vale, FT-SE International, London, on 0171-448-1800, Barbara Mueller, Goldman, Sachs & Co., New York, on 212-902-6777, or Elliott Shurgin, Standard & Poor's, New York, on 212-208-5709.

# Metro sees sharp gains as merger clinched CLF in talks

Metro, Germany's large retailing discount and cash and carry group, forecast a sharp rise in profits and sales following final agreements yesterday to merge with its independently-run subsidiaries Asko, Deutsche SB-Kauf and

Kaufhof Holding. The merger follows several months of negotiations to buy out the stakes of minority shareholders; Metro had held majority stakes in the three companies previously but the four entitles were managed separately. The merger will create one of Europe's largest retailers which will concentrate on mass distribution mainly in the discount sector. It reflects a growing trend towards consolidation at a time when retailers, particularly in Germany, are fighting for market share amid weak growth in consumer spending.

Mr Erwin Conradi, manager

of Metro, said the merger was not "a conglomerate". Instead, he said there would be strict decentralisation with autonomous boards responsible for managing operating divisions. However, Metro AG, the new holding company, would pro-vide a platform for the interna-tionalisation of activities, especially in the cash-and-carry division, one of the Metro's most successful divisions. Consolidated sales for last year

For the first financial year. starting last January, the new starting last January, the new Metro AG group expects a group turnover of DM65.6bn, rising to DM70.6bn next year and to DM76.4bn in 1998. Pretax profits ovar the same period are expected to rise from DM1.1bn to DM1.6bn next yaar and to more than DM2.1bn in 1998. A dividend of

this year. The merger, to be put before shareholders on May 24, involves an increase in nominal capital and an exchange of shares. The current nominal capital of DM288m will ba increased by DM213m to

DM2 plus a bonus of DM2 per

DM5 shares will be paid out

DM501m. In 1997, Metro intends to increase the then existing capital through a capital increase from reserves involving a bonus issue of ahares by about DM600m to DM1.1bn

The exchange of shares entails 10 Asko ordinary shares being swapped for 81 Metro AG ordinary shares with the same arrangement applying for preference shares. For Deutsche Kaufhaus, eight of its ordinary shares will be swapped for one Metro AG ordinary share, while one Kaufhof ordinary share - as well as preference shares - will be swapped for four ordinary and preference



Erwin Conradi: planned strict

# European coup for troubled SBC Warburg

By Nicholas Denton

The German retail merger creating Metro has given SBC Warburg a chance to sbow that, despite the investment bank's troubles in the UK, it is continuing to pick up significant mandates in

The Swiss Bank Corporation division is sharing the credit for advising on the DM15.8bn (\$10.7bu) merger although the two German banks involved in the deal have established

Assurances Générales de France, the

state-owned French insurance group,

yesterday reported 1995 net income up

23 per ceut to FFr1.1bn (\$218m) and

announced renewed efforts to improve

Turnover rose 11.4 per cent to FFr77.4bn, which AGF said represented

an increase in comparable terms and

constant exchange rates of 13.1 per

The board is recommending a divi-

Mr Antoine Jeancourt-Galignani,

chairman, said that last year marked

"a turning point" for the group, includ-ing a reorganisation, tighter strategic focus and a first step towards improv-

He announced the creation of a tem-

porary group, which would be responsi-ble for increasing productivity. He also pledged to do everything possible to

dend of FFT3.75 a share.

Efficiency pays as AGF

banking relatiousbips with Metrn In contrast, the SBC unit has been losing UK clients taken on with the acquisition last year of S. G. Warburg, formerly the UK's leading independent

investment bank. "It was not possible to service that entire UK client list," sald Mr Ken Costa, chairman of SBC Warburg's investment banking board. In the UK, the bank would aim to offer more products to fewer clients, he said. But it is also pursuing a Euro-

AGF has long been earmarked for pri-

vatisation, but the aale has been

delayed by various concerns, including

the generally poor recent performance

of shares in financial services groups.

The latest moves will help prepare the group ahead of the sell-off.

During the year, AGF changed its accounting policy for life assurance

contracts, which provided a one-off

profit of FFr2.6bn. However, that was more than offset by a series of excep-tional charges, including FFr7.6bn for

long-term depreciation. There was also

FFr1.1bn in provisions on insurance

business, FFr759m against banking operations, and FFr718m for long-term depreciation in AGF's holding

Mr Jeancourt-Galignani said the

group's aim was to focus on markets experiencing strong growth, such as retirement and health insurance.

pean strategy of which the Metro deal, and others this week, were the "first fruits". "Europe is our turf," Mr Costa said. "That is the region we have marked out to show our strength."

This week it also emerged that the SBC group had advised on the acquisi-

tion by Mr Gad Rausing and his family of the half of Tetra Laval, the privately owned packaging group, that they did not own. SBC even contributed to the financing of the deal which, although details have not been disclosed, is thought to be worth about SFr7bn.
SBC Warburg took no part in the merger between the Swiss pharmaceutical companies Sandoz and Ciba-Geigy but it disclosed this week that it was acting as adviser on the disposal of Morgan Stanley will set price ranges

businesses being hived off by them.

And next week SBC Warburg and and launch the international public offering of Scania, the Swedish truck maker, for which the two banks are

# joint global co-ordinators. Cut in provisions helps

advances 23% to FFr1.1bn lift profits 7.7% at BNP

Banque Nationale de Paris, the French banking group, yesterday unveiled 1995 net income up 7.7 per cent at FFr1.8bn (\$356m) while launching a defence of its support for the country's small busi-

As a result of the sluggish progress of the Freuch economy, the group reported banking revenues down 4.1 per cent at FFr37.7bn, a decline of 2.3 per cent on a comparable basis. "BNP has held up rather well in what has been a difficult year for French banks," said Mr Michel Pébereau, chairman.

The improved result partly reflected a sharp reduction in provisions, down from FF17.3bn last year to FF15.5bn this year. Write-downs for specific risks fell 48 per cent outside France, but - apart from property - were down just 8 per cent domestically. New provisions against loans to property developers were FFr1.7bn, against FFr2.1bn in 1994.

However, Mr Péberean stressed that BNP's exposure to the property sector was far less a concern than lending to small and medium-sized businesses. He said total property provisions in 1993-95 totalled FFr4.5bn, while those against small businesses over the same period ran to FFr10.5bu,

His comments come in the wake of criticisms of banks' approach to lending towards small business which were voiced by President Jacques Chirac last month during a tour to east Asia, Mr Pébereau said that BNP had oper-

ated a policy of maintaining margins rather than seeking additional market share. He said his objective for 1996 was for "progression" in all divisions of the

He renewed his criticisms of the government-backed FFr135bn rescue plan for Crédit Lyonnais, the state-controlled bank, which be called "erroneous for public finances and for the creation of competitive distortions".

## with Belgian counterpart on link-up

By Andrew Jack in Paris and Emma Tucker in Brussels

Crédit Local de France, the specialist Freuch banking group, yesterday confirmed it was holding talks on a close co-operation with its counter-part Crédit Communal de Belgique, the second largest bank in Belgium. CLF said this could lead in an exchange of up to 50 per cent of the twn banks' shares.

The move would lead to the creation of a large European financial institution focused on lending to the public sector, with combined total assets of about FFr1,000bn (\$198bu). The two banks said they were also studying ways to tighten links with Bank Nederlandsche Gemeenten in the Netherlands, which is already a shareholder in CLF. Crédit Communal de Belgique also holds a 5 per cent stake

They stressed that for the plan to go ahead, sharebulder, regulatory and executive approval would be a required in a process likely to take

"many months". CLF said the two banks believed there was "strong complementarity" between their businesses which could lead to a "European pole of development". It said the plan would require the sale through a public quotation of some of the shares in Crédit Commu-ual de Belgique - currently owned by the country's 600 communes - and would lead to the construction of a unified

CLF, already the largest quoted bank in Europe speci-alised in leuding to local authorities and the public sector, bas recently been strengthening its international

CORRECTION

### **OTE** flotation

Coutrary to a report in yesterday's Financial Times, CS First Boston and Schroders have not pulled out of the OTE flotation and remain advisers to the Hellenic Republic.



### THE SOCIÉTÉ GÉNÉRALE GROUP ANNUAL RESULTS

ing profitability.

### NET INCOME MAINTAINED AT FRF 3.8 bn

Shareholders' equity up (+ 8.2 %) to FRF 51.2 bn

B.I.S. ratio: 9.23 % (of which Tier one 5.67%)

Net dividend per share: FRF 16 (representing a payaut ratio of 37 % of net income)

■ N° 1 private-sector French Bank

■ 2000 branches in France

■ 125 years of international banking

■ 500 offices in 70 countries

### **BUSINESS**

■ Satisfactory performance for retail banking in France. Significant increase in customer deposits (+ 13.8 %).

Rise in assets managed (+ 5.7 %).

 Loans virtually unchanged (+ 0.7 %) due to weak demand from French corporate customers.

■ Marked growth in capital market transactions and in commercial banking operations of our international network.

■ Brokerage business less active than in 1994.

### RESULTS

■ Net banking income up (+ 1.1 %) to FRF 39.4 bn.

Slight fall in gross operating income (-5.9 %) due to higher operating expenses (+ 3.8 %) reflecting the Group's international development.

■ Decline in net allocation to provisions (FRF 4.8 bn as compared to FRF 5.0 bn in 1994), despite net allocation to provisions for real estate commitments remaining at a high level (FRF 1.9 bn compared to FRF 2.2 bn in 1994).

The Annual General Meeting will be held at the CNIT Paris-La Défense on May 10 1996 at 10 a.m.

For further information, call our Investor Relations Service in Paris on (33-1) 42 14 54 78



# MINORCO

results for the twelve months to December 31, 1995

Preliminary "The past year was one of significant achievement for Minorco. Earnings reached record levels, several significant acquisitions were completed and the development of our major projects continued satisfactorily.33

Julian Ogilvie Thompson, Chairman

	Calendar Yes	
	1995 Andited	1994 Unaudaed Proformu
US\$ millions:		
Sales	4,247	3,435
Operating earnings	599	296
Earnings before exceptional items, taxation and minority interests	665	414
Net earnings	365	ıs
Net earnings before exceptionals	365	241
Net cash provided by operating activities	491	443
Capital expenditure	814	525
Acquisitions and investments	768	537
US\$ per share:		
Net earnings	1.63	0.36
Net earnings before exceptionals	1.63	1.07
Dividends declared	0.63*	0.57
"Recommended by directors and subsect to describe iden" account		

### YEAR IN BRIEF

Net earnings before exceptional items increased by \$1% to US\$365 million.

Tilcon acquisioon dnubles the size of the European Industrial Minerals business

Dividend increased by 11%.

Approval given to commence development of the Collahuasi copper mine, subject to completing the financing arrangements.

Major investments made in the modernisation and expansion of Mantos Blancos, the Cressnn beap leach gold

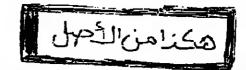
operation and the Aylesford Newsprint

FINAL DIVIDEND

The proposed final dividend for the year to December 31, 1995 of 42US cents is, subject to shareho ral, payable on May 10, 1996 to shareholders of record on April 2, 1996. The 1995 annual report will be out April 4, 1996. Copies may be obtained from the UK Transfer Ag

MINORCO

MINORCO SOCIETE ANONYME, LUXEMBOURG, MARCH 14, 1996



### INTERNATIONAL COMPANIES AND FINANCE

The collapse of Comecon ter, which was sold to financial markets and a sharp increase investors, the leading local pro-

# Siemens Nixdorf buys 10% stake in Vobis

By Paul Taylor and Michael Lindemann in Hanover

15 1996

talks

)art

<sup>p</sup>aris and

banking

on a close

its counter. unai de Bel-

argest bank said this

exchange of

of the two

lead to the

e European

ion focused

d total assets

n (\$198bo).

is said they

ing ways to th Bank Ned-

enten in the ich is already

CLF. Credit

Belgique also

cem stake

that for the

d shareholder,

. be a required

ikely to take

be two banks

W25 "Strong

it) between

which could

opean pole of

22 the plan

through

Some of

Cock Commu-

· carently

5 600

ad to

::= = : Trifled

- ---

rat a; . kial

and the rate was

Trees Sal

200

lotato

Process Per

್ಷಣ ಕರ್ಡಿಸಿಗ**್ರಾ** 

所は og: y as羅.

PARTICIPATE COMthis Nepulation

Siemens Nixdorf, the computing subsidiary of Germany's deal, Mr Gerhard Schulmeyer, Sigmens group, has acquired a 10 per cent equity staka in Vohis, another German personal computer manufacturer, as part of its strategy to grow its PC operations and cut costs through joint component

price German PC maker. Ear-

announced a DM100m refinanc need to deliver the same proding package following 1995 ucts to every one of its 600 stores. The Aachen-based com-Commenting on the Vobis SNI'a chief executive, said: "Tha primary motivation for this strategic move was to create opportunities for joint bulk buying and to benefit from the resulting economies of scale in the purchasing sector."

purchasing.

Vobis, however, sam the two
SNI has a similar agreement 'companies might also co-operwith Recom. the struggling cutate on assembly. Vobis last year spent DM15m to introduce lier this month Siemens' stake a new essembly method which means it can tailor a PC to customers' needs and does not

stores. The Aachen-based com-pany said SNI was very inter-

ested in the new technique.

The equity stakes and joint purchasing initiative link German's three largest indigenous PC manufacturers, and are likely to heighten speculation about closer ties. Together they have annual sales of almost 2.5m units, and underline the growing importance of volume in the fleroely competitive global PC market.

The SNI stake means that

Kaufhof, the German retail

Vobis from 65 per cent to 58.5 per cent. Mr Theo Lieven and Mr Rainer Fraling, who started in the computer business as students in 1973, now hold 15.75 per cent each, down from

The deals with both Vobis and Escom underline SNI's growing confidence and its increasing strength in both the domestic German and the European PC markets following an a restructuring programme initiated by Mr Schul-

meyer at SNL Siemens Nixdorf moved into profit for the first time last group, has reduced its stake in year when it posted pre-tax 10 per cent.

in competition from western

producers at home triggered

the recession of the early

Exports to eastern markets

all but dried up and the domes-

tic market share of local pro-

ducers in value terms dropped

from 73.7 per cent in 1990 to

53.0 per cent in 1993 and to 44.8

per cent in 1995, according to

Pharmafelax, a local pharma-

ceutical and healthcare market

research organisation.
In spite of lay-offs and

restructuring prompted by the

recession, Daiwa estimates the

industry still accounts for

around 5.5 per cent of Hunga-ry's industrial production and

Industry analysts say one of

the attractions of the sector is

that, although much restruct-

uring has already taken place,

there is still room for further

cost savings and earnings

non-core businesses - some

with potential environmental

liability such as pesticides,

Companies are divesting

4 per cent of total exports.

profits of DM62m on sales of DM12.8bn.

Under Mr Schulmeyer, the company has adopted an international growth strategy and has become one of fastest growing European PC manufacturers - and one of few not

losing money.

Mr Schulmeyer revealed yesterday that new orders rose by 10 per cent to DM5.3bn in the first five months of the company's fiscal year. Worldwide sales advanced 15 per cent to DM5.2bn. Adjusted for currency movements, new orders rose by 4 per cent and sales by

ducers have been acquired by

international pharmaceutical

companies. Sanofi of France

holds a majority stake in Chi-

noin, the most prominent local

pharmaceutical company in

developed countries, while

Novopharm of Canade last year increased its stake in

Human, a serum and vaccine

Also last year, Teva Pharma-

ceuticals of Israel paid \$26m

for 78 per cent of Biogal, the

country's main producer of

antibiotics. Human is listed on

the BSE, while Biogal, Chinoin

and Alkaloida, the last large

producer still in state hands

place against a back-drop of reviving Hun-garian trade with the east, and

both Servier and Bristol-Myers

Squibb have said they intend

to use their local acquisitions

to spearhead their expansion

Hungary's exports to the for-

mer Soviet bloc rose 24 per

cent last year as pharmaceuti-cal companies and other

exporters cashed in on the

region's economic recovery

and a 28 per cent devaluation

into the region.

be takeovers have taken

place against a back-

trade over the counter.

specialist, to 53 per cent.

# SKr4.35bn

AssiDomān, the Swedish pulp

the year. Pulp prices have fallen sharply since last October and

ucts have weakened. The result was slightly

ties in Stockholm.

SKr481m to SKr1.12bn.

grades where prices are lower. further expansion of its activi-

ties in eastern Europe. Assi owns 39 per cent of Sepap, the biggest Czech pulp and paper group. It recently settled a dispute with Sepap's other main shareholder, the Bahamian investment company Stratton.

SKr3.25 per share to SKr5.

# doubles profits to

By Christopher Brown-Humes

AssiDomän

and paper group, more than donbled profits from SKr2.07hn to SKr4.35bn (\$641m) in 1995, continuing an excellent reporting season for the big Nordic forestry groups. It said the upturn was driven by higher prices and volumes for most products. But market conditions wors-ened in the second half and the fourth-quarter profit of SKr937m was the weakest of

prices for many paper prod-

below expectations, but the group's shares jumped SKr4.5 to SKr152. Swedish forestry shares have surged 5 per cent this week and 14 per cent this year. "The market feels that cyclical stocks are the ones to be in, and the forestry sector is benefiting from that," said Mr Peter Mansson, forestry analyst with ABB Aros Securi-

Higher prices, increased volumes and acquisitions helped lift gross revenues by 27 per cent to SKr2I.8bn. Operating profits jumped 97 per cent from SKr2.26bn to SKr4.47bn.

The sharpest improvement was in kraft products, where profits rose from SKr249m to SKr1.18bn. Packaging profits climbed 134 per cent from

Mr Lennart Ahlgren, chief executive, said prices for sack paper were 5 per cent higher than last year's levels, in contrast to most other paper He also said Assi planned to invest SKr100m in a new corrugated board plant near St Petersburg in Russia in a

The dividend is raised from

# **EUROPEAN NEWS DIGEST**

# Noble set to buy Nedlloyd arm

Nedlioyd, the Dutch transport group, plans to sell Neddrill, its offshore drilling subsidiary, to Noble Drilling Corp of the US for \$300m in cash plus 5m Noble shares. Noble's shares trade at between \$9 and \$10 on the Nasdaq exchange in New York, meaning the total value of the deal to Nedlloyd is around \$350m. The transaction, which includes Neddrill's various assets as well as its working capital of \$25m, is still dependent on several factors, including the successful completion of due diligence work and Noble's ability to arrange financing.

The Rotterdam-based company, which issued two profit warnings in late 1995, said the deal met its earlier declared aim of finding a strong strategic partner for Neddrill so that it could increase economies of scale and prepare for the 21st century. It described Noble, based in Houston, as the preferred partner of Neddrill's management and staff. Neddrill owns and operates drilling units for oil and gas production. It is ective in the North Sea and in the deep water market off the coast of

The subsidiary is the main component of the group's "Neddrill and other ectivities" sector, which generated Fl 17m. (\$10.3m) in operating profit in the first nine months of 1995, on turnover of Fl 182m. By contrast, Nedlloyd's ocean-going shipping, which had nine-month turnover of Fl 23bn, posted operating profit of only Fl 39m, while European road haulage produced FI 48m in operating profit on sales of FI 2.6hn. Ronald van de Krol, Amsterdam

### East Asiatic Company rises

The East Asiatic Company, the Danish trading and food group, increased group net profits from DKr230m to DKr338m (\$59.4m), although profits after net financial items slipped from DKr319m to DKr216m. The board recommended that no dividend be paid for the fourth successive year. The group, with 63 per cent of its turnover in eastern Asia, increased sales from DKr12.45bn to DKr14.42bn, primarily as a result of an increase of sales under licence arrangements of branded consumer products and graphics industry equipment in Asia.

The group's wool trading business and its Plumrose slaughterhouse and meat processing business in Germany made substantial losses. A DKr300m charge was made to cover the cost of selling a loss-making slaughterhouse at Britz, near Berlin, before the end of this year. EAC will concentrate its activities in three core areas, trading in fast-moving consumer goods in Asia, graphics industry equipment in Asia, northern Europe and Africa, and food production in Venezuela. Hilary Barnes, Copenhager

### E-Plus warns on phone licence

E-Plus, Germany's third digital mobile phone network. yesterday warned Mr Wolfgang Bötsch, the minister for post and telecoms, not to issue a fourth mobile phone licence in Germany before 1997 when E-Plus's four-year period of grace

Tha company, in which the Veba and Thyssen industrial groups each hold 28.5 per cent, also said it was unfair that a fourth mobile operator should have to cover only 75 per cent of Germany and not 98 per cent as E-Plus had been required to do. Front-runner for the fourth mobile licence is a consortium made up of RWE and Viag, the two German energy-based conglomerates, and British Telecommunications. E-Plus said the German market was big enough to accommodate a fifth mobile licence but "when it comes to future licencing [of operators] we just want equality of chances and fairness". The company estimated there would be 12.5m mobile phone users . Michael Lindemann, Hanover m Germany by 2000.

# Hungarian drug groups stage comeback

A spate of takeovers by western groups has helped buoy the sector, writes Virginia Marsh

ungary'a pharmaceutical industry - one of the privately-held French pharthe country's most macenticals company, purimportant manufacturing sectors and its top export earner for much of the 1930s is making a strong comeback from a harsh post-communist

Better than expected 1995 results at the country's two largest pharmacentical companies, and a public takeover at a third listed drugs producer have helped fuel this year's rally on the Budapest stock exchange, where the sector accounts for around a quarter of total market

The BUX index has surged by more than 40 per cent since January 1, hitting an all-tima high of 2,390 on March 7. At the same time, a spate of acqui-sitions in the sector by western pharmaceutical companies has underlined Hungary's importance as the main manufacturing and distribution centre for the industry in the former Eastern bloc.

Richter Gedeon, the largest company in the sector, which was partially privatised and floated 18 months ago, hit an all-time high above F15,000 in recent weeks, up from an issue price of Ft1,330 in September 1994. In its preliminary 1995 results, reported last month, it increased net sales last year by Ft6.3bn to Ft27.4bn (\$192m) and made pre-tax profit of Ft7.7bo. up from Ft3.7bn in 1994.

Egis, the local market leader, has seen its stock rise steadily offers substantial growth share.

since December when Servier, chased a 51 per cent stake and formed a strategic alliance with the company.

Egis' stock price was lifted further after it announced pre-

liminary pre-tax profit of Ft4.9bn, on sales of Ft19.8bn for 1995, up from Ft2.5bn, on net sales of Ft15.3bn in 1994. It is now trading in the Ft4,500-Ft4,800 range, up from Ft3,275 before the Servier acquisition was announced.

Traditional producers - former state companies such as Richter and Egis, most of which have now been priva-tised - are compensating for falling domestic market share by seeking new markets in the west and by revitalising trade with their former partners in the east

Newcomers, such as Pharmavit - the vitamin pill maker acquired by Bristol-Myers Squibb of the US for \$110m last month in the country's first public takeover of a listed company - have broken into the market through a combination of clever western-style marketing and competitive pricing. According to a recent report

by Daiwa of Japan, the strength of the sector lies in its ability to produce high quality drugs at low cost - wages in Hungary remain a fraction of those in the west - and in the country's position as a marketing and distribution centre for

	(Pt bn)	Share of local producers (%
1990	21.8	73.7
1991	31.2	70.7
1992	36.1	62.0
1993	50.9	53.0
1994	66.7	46.0
1995	85.5	44.5

(% of sales by value)

Source: Dakes, Physicalsky

potential for sales of pharmalevels.

Hungary, which has a long tradition as a pharmaceutical producer, had the most imporeastern Europe, a region which cals had a 22 per cent market 

centicals, At present, drug consumption and expenditure on healthcare in the region, although not in Hungary - are well below western European

tant drugs industry in Comecon, the collapsed Soviet-led trading bloc. In 1989, around two thirds of the sector's production was exported, mainly to Comecon countries including the then Soviet Union where Hungarian pharmaceuti-

agrochemicals and refuse burners - which has also made them more attractive to foreign Privatisation has in most cases included capital increases for the companies involved, enabling them to pay off expensive debt racked up in the recession and to increase capital investment which was largely neglected in the 1980s. With the exception of Rich-

of the forint, reversing years of real appreciation. Richter Gedeon, for example, increased sales to former Soviet states by 13.8 per cent in dollar terms to \$60.9m and to eastern Europe by 1.9 per cent to \$31.6m.

http://www.PirelliAward.it



The first international prize ever launched on the Internet, the network of networks, has just started. It is called Pirelli Internetional Award and is dedicated to all European surfers able to develop a multimedia project which helps to spread scientific culture. Projects of any content can be submitted: an electronic program, a production process, a machine, a poem and anything related to the scientific world. An international jury composed by a Nobel Prize winner and experts of various disciplines will award a rich endowment of prizes to winning entries sent by 31st. August 1996 to the site http://www.PirelliAward.it.

The same site shows the rules.

### THE MITSUBISHI BANK, LIMITED

U.S.\$100,000,000 2%% Convertible Bonds due 2000 U.S.\$300.000,000 14% Convertible Bonds dne 2002 U.S.\$300.000.000 31/4% Convertible Bonds due 2004

### "ADJUSTMENT OF CONVERSION PRICES"

lotice is hereby given that on 23rd February, 1996 the Board of Directors of the Bank resolved to make a stock split of commi the Bank effective 21st May, 1996 (Japan time) to its shareholders of record as at 31st March, 1996 (Japan time) at the ratio of 1.05 shares for

Such stock split will result in an adjustment of the respect prices of the Bonds as follows:

US.\$100.000.000 23/% Convertible Bonds due 2000 Conversion Price before adjustment: Yen 1,478.40 Conversion Price after adjustment: Yen 1.408.00

U.S.\$300.000.000 1X% Convertible Bonds due 2002 Conversion Price before adjustment: Yen 2,727.10 Conversion Price after adjustment: Yen 2.597.20

U.S.\$300,000,000 3½% Convertible Bonds due 2004 Conversion Price before adjustment: Yen 3.110.50 Conversion Price after adjustment: Yen 2.962.40 This announcement is made pursuant to Clauses 6 (B) and 6 (C) of the Trust Deeds dated 25th July, 1985, 24th August, 1987 and 25th April, 1989, respectively, between Morgan Guaranty Trust Company of New York, as trustee, and the Bank, as issuer, constituting each of the Bonds

and Condition 14 of Terms and Conditions of the respective Bonds

The name of the Bank will be changed to 'The Bank of Tokyo-Mirsubishi, Ltd.' on 1st April, 1996 following the merger of the Bank and The Bank of Tokyo, Ltd., the announcement of which has already been made. The new name will not be stamped on certificates for the Bonds, nor will certificates for the Bonds he exchanged against new ones. The Bonds will continue to be listed on the London Stock Exchange or the Luxembourg Stock Exchange, as the case may be, under the former name followed by the new name on and after such date.

15th March, 1996

THE MTISUBISHI BANK, LIMITED (effective 1st April, 1996. THE BANK OF TOKYO-MITSUBISHI, LTD.)

### Notice of Early Redemption

### SEK

Aktiebolaget Svensk Exportkredit

U.S. \$200,000,000 8% per cent Bonds Due 2026 NOTICE IS HEREBY GIVEN to the Bondholders that, in accordance

with Clause 5(b) of the Terms and Conditions of the Bonds, the Issuer will redeem all of the outstanding Bonds at 105 per cent. of their principal amount on 15th April, 1996 (the "Redemption Date"). Payment of principal and interest accrued to the Redemption Date.

Payment of principal and interest will be made on or after the Redemption Date at the specified office of any of the Paying Agents listed below against surrender of the Bonds, together with all

Paying Agents Banque Indosue: Luxembourg 39 Allée Scheifer L-2520 Luxembourg

London ECZA ZHE

Swiss Bank Corporation Asschenvoustads 1 CH-4002 Basic

Bankers Trust Company Four Albany Street New York, N.Y. 10015 (payments of principal only)

Company, London

Bankers Trust

**Principal Paying Agent** 

### WANT TO KNOW A SECRET?

The I.I.S. Oans Seminar will show you how the markets REALLY work.
The emaxing treding techniques of the legendery W.Il. Gens can Bonk your FREE place. Phone 0171 588 5858

### INTERNATIONAL COMPANIES AND FINANCE

# Germany's new issues hit record form

### Investors have put DM8bn into the market, writes Andrew Fisher

rmany's new issue market finally sprang to life again last year. With a record volume of transactions by companies selling shares to the public for the first time, bankers and investors hope the disappointing results of the past have been

finally laid to rest. Domestic and foreign inves-tors sank more than DM8bn (\$5.4bn) into 20 new share offerings, more than in the pre-vious three years combined. Headed by Merck pharmaceuti-cals and Adidas sports goods, this performance put the market in good heart for this year's mammoth Deutsche Telekom sale which will be scrutinised around the world.

Thus, says Mr Heinz Steffen, senior analyst at Schröder Münchmeyer Hengst (SMH), the Frankfurt bank, "1996 promises to be the most inter-esting year in the history of the German (initial public offering] market". Much will depend on how the Telekom issue fares. The shares must be favourably priced if it is to succeed."

Yet although Telekom will lift Germany's IPO volume to new heights, the underlying flow of deals is still far more limited than in the US or UK. Last year's experience does show, though, that companies and issuing banks have learnt important lessons from previ-ous failures. Adidas's IPO success has prompted the rival Puma company - whose shares soared and then flopped when issued in 1986 - to promise more stock to outside investors when Proventus, its Swedishowned parent, reduces its

stake below 50 per cent. Mr Rolf Michael Betz, an investment banking executive at DG Bank, is gratified by the healthy mixture of smaller companies, buy-outs, spin-offs and larger compa-

By Haig Simonian,

nies" in the 1995 IPO list. "It reflects basic changes in the economy as companies restructure and sell off peripheral activities to concentrate on key

strengths," he says. He foresaes further IPOs along the lines of SGL Carbon. This revamped carbon and graphite subsidiary of the Hoechst chemical concern raised DM310m, later returning to the market for a further DM430m when trading conditions improved. Even larger, at DM911m , was the issue by SKW Trostberg, the chemicals subsidiary of Viag, the energybased conglomerate.

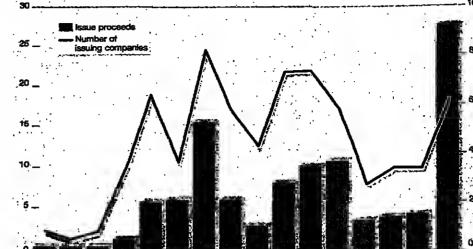
But it was the Merck and Adidas issues which really captured investors' imaginations. Merck raised a record DM2.4bn, with subscribers to the issue in Germany and abroad applying for as much as DMI0bm worth of shares. That could be a healthy portent for November's planned Telekom issue of about DM15bn.

Much of last year's lively IPO activity clearly reflected a desire by some companies to come to the market before state-owned Telekom crossed the horizon. The deals ranged from virtually unknown companies to big international transactions. In 1994, new issues totalled only DM1.2bn, the previous record being the

So far this year few candidates have emerged, the main one being Pro Sieben, the commercial television company which could raisa around DM1bn. But Mr Betz is optimistic. "I think we'll see a few more emerging which no one expects today," he says. The size of the German economy, with its myriad specialised Mittelstand (medium-sized) companies certainly offers

Much remains to be done, though. While one bugbear of

### German new issues Number of Initial public offerings



the past seems to have been overcome - over-pricing to maximise proceeds for issuers, leaving shareholders in second place - the German market remains underdeveloped. Many domestic institutional and retail investors are less than enthusiastic equity buyers and trading also still tends to be dominated by a few industrial and banking blue chips.

82 83 84

1980 81

eutsche Börse, which runs the Frankfurt ing to change that. Mr Reto Francioni, a director, cites its plans to make the market for smaller stocks more transparent and liquid. Recently it set up the MDax index of mediumcapitalised issnes alongside the Dax, which tracks tha main stocks, "Smaller and mediumsized companies have got to be able to raise money more easily on the bourse," Mr Francioni says. "There are thon-sands of successful companies in Germany that have not yet

But companies, banks and institutions have to play their chairman of SGL Carbon, has strong feelings about German institutional investors.

"German banks and big German insurers do relatively little, in my view, to promote the equity culture," be says. Compared with US and other European investors, those in Germany had a "certain aversion" to getting to grips with a company's strategy and markat outlook. Wheraas Germans asked about dividend policy, US investors probed more deeply. Mr Koehler recommends that companies bring themselves aggressively to the attention of German institu-

tions when making new issues. Smaller companies also have difficulties. Mr Willi Merkel, head of eff-eff Fritz Fuss which makes security systems, bemoans tha fact that investment funds from Germany showed little interest in tha company, which raised DM101m last year. However, several UK funds specialising in smaller stocks visited its offices in southern Germany. For domestic funds, "it would be nearer from Frankfurt, but

the road seems longer".

Despite such problems, Mr
Betz says "there is definite
movement." Germans may not be heavy buyers of shares, but habits are changing. The wide use of the book-building process in issues with an international scope has made pricesetting much more realistic. Thus, in contrast to previous years, most shares performed well after tha IPO period.

\*Foreign investors see the German market as having come of age," says Mr Rudolf Rhein, an IPO executive at Deutsche Bank, referring to the larger size of recent offerings and the range of investor interest. But both foreign and domestic investors will watch Telekom's progress closely. If the issue goes well, 1997 could see a further crop of IPOs to stimulate Germany's slowly evolving equity culture.

### by SME bid plans By Andrew Hill in Milan

**Benetton** 

shares hit

Controlling shareholders' plans to bid L286bn (\$183m) for the rest of SME, the priva-tised Italian snpermarket group, yesterday provoked a flurry of activity in the stock of SME and of Benetton, the clothing group. SME's largest sharebolder is

SME S largest same collect is Edizione, the private Benetion family holding company which controls the clothing group, and Benetion stock was hit partly by foreign investors' worries that the family might require new finance for the SME bid.

Benetton said the SME offer was a matter for Edizione and would have no impact on the quoted group's financial position and future strategy.

The company also played down investors worries about the likely outcome of Dutch litigation with Bnlova, the watchmaker, later this month

Benetton shares fell L935 to close at L15.885, while SME stock rose L105 to L1,705 which compares with the bid price of L1,750 a share.

1.57

. ....

-

100 m

-47

7.7

Edizione's fellow shareholders in SME are Leonardo Finanziaria, the private holding company of the Del Vecchio family, which controls the New York-quoted Luxottica spectacles company, and Mov-enpick, the Swiss botel and restaurant group.

Since late 1994, when the purchase of the SME majority from Iri, the Italian state bolding company, was nearing completion, both Benetton and Luxottica have been careful to differentiate between the strategy of the quoted companies and the family investments. The Italo-Swiss consortium

controls 60 per cent of SME through a private bolding company, Schema 21. Schema 21 said late on Wednesday that it needed to "shorten the chain of companies" linked to the operating group, in prepara-tion for increased competition in the Italian retail market. Schema 21 will bid for 36 per

cent of SME, which operates through the GS and Euromercato supermarkets, financing the deal with "new funds from the shareholders, and bank debt".

### based group rescued from bankruptcy in 1993, raised net profits 34 per cent to Fl 163.8m than 48 per cent to 16,656 units. 265,000 units this year. How-(\$99.8m) in 1995. The company based its optiever, it said sales of heavier Bnoyed by strong demand across most of Europe, the trucks weighing more than 15 tonnes would only grow by

company predicted a further sales this year in spite of a would rise to 19,000 units.

tor Industry Correspondent

Daf Trucks, the Netherlands-

sharp rise in spending on new products, dealers and information systems. Turnover rose 27 per cent to Fl 12.89bn, while output at Dat's two plants soured more

mism partly on a strong order book and sales in the first two months of this year, which led

In spite of warnings from truckmakers that demand in Europe could soften, Daf forecast the market for lorries above 6 tonnes would rise by more than 5 per cent to about about 4 per cent to 179,000

Strong demand in Europe helps lift Daf by 34%

Investments to improve pro-

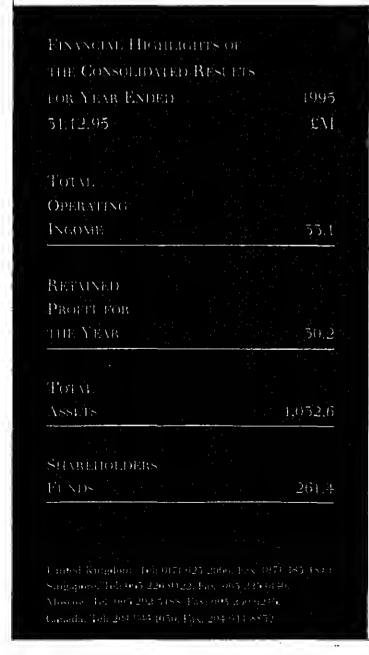
ductivity were reflected in an increase in capital expenditure, almost double at nearly F1 170m last year. The bulk of this went on factory improvements, which beloed increase the number of trucks built per employee to 3.6 last year, from

nearly 22 per cent to 25,701. important 11-15 tonne range.

increase its European market sbare for trucks of more than 6 tonnes to 8.6 per cent, from 7.4 per cent in 1994, while its share of trucks weighing more than 15 tonnes rose to 8.8 per cent from 7.8 per cent. Daf attributed its bullish out-

Some 15 per ceut of SME is 3 in 1994. Daf attributed its bullish out-look for the current year partly vehicles built for Daf by Ley-land Trucks in the UK), rose Daf attributed its bullish out-look for the current year partly on strong sales of the new Leyland-built Daf 55 in the Daf Paolo di Torino banking group.

# Moscow Narodny Bank. BUILDING ON EXPERIENCE.



comprehensive range of international and merchant banking products and services to corporate, government and private customers with particular emphasis on business related to the economies of the Commonwealth of Independent States (CIS) and Central Europe.

Moscow Narodny Bank provides a

It is our belief that no other bank offers Western companies a deeper insight into the trading environments, business dynamics and cultures of the Russian and CIS markets.

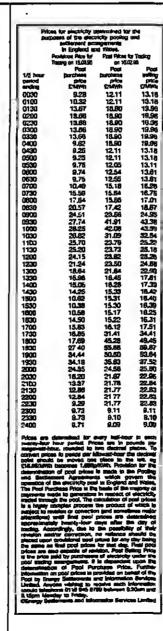
Bank's annual accounts 1995, please contact Tom Stacey, Manager, Financial Institutions on 0171 623 2066, or at the following address: Moscow Narodny Bank Limited,

To receive a copy of the Moscow Narodny

81 King William Street, London EC4P 4JS.

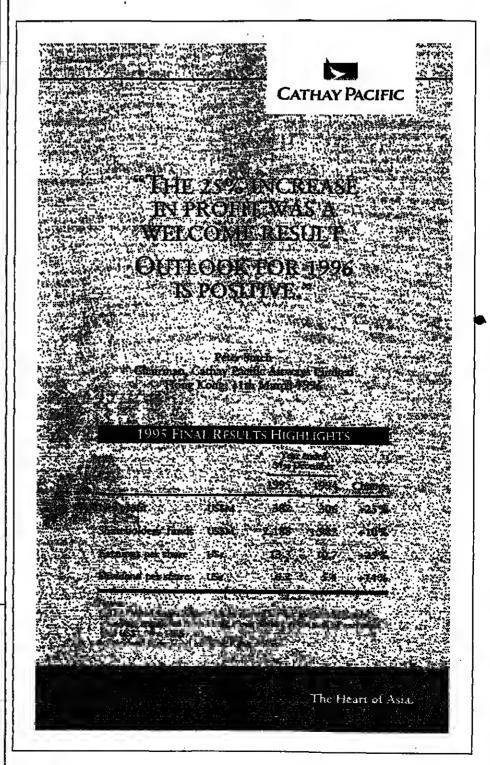
MOSCOW NARODNY BANK LIMITED INCORPORATED IN THE CITY OF LONDON SINCE 1919

THE ESSENTIAL CATALYST



APPOINTMENTS ADVERTISING

Appears in the UK edition every Wednesday & Thursday and in the International edition every Friday. For information or advertising in this section please call: Toby Finden-Crofts on +44 0171 873 3456



### INTERNATIONAL COMPANIES AND FINANCE

# Posco moves to pre-empt challenge from Hyundai

The world's most profitable steel producer faces competition from its biggest customer, reports John Burton



<sup>1,ARCH</sup> 15 1996

etton

es hit

plans

ing shareholder, and 1256bn (\$1884) (\$1.00 SME, the pro-

and of Benetica de

largest shareholder

the private Received the company which the private Received the company which the clothing group the company which the clothing group the company which is company with the comp

icel the family me

100 said the SME of

late 50 impact on the

Proud's Spancial pa

mpany also plane c come of had

on with Bulors, the

tier later this man

The shares fell Latin

15.565. while SE L.05 to Il.

Live a share

one a fellow sharehold

ANTE are Leonards Fa

o the private boling

" of toe Del Terris

Sant controls is

not gamed Laronte

in company, and the

.... Swiss hotel at

r inte 1994, when to

in the Palian state bet

Carati was rearing

of the Bound Benemon at

.... area careala

े के लिए प्राप्त की शाह

🕹 ५००:सर्व ट्यालक्ष्मं

La La Vestments

124 -5 -55 consorting

in the test of Er

: ...: a Fredzesday (ig.

in the first rates the chair

thinked to the

ing group. In prepar

Competitute

market.

∵... मां tid for 36 pe

waich operate

S and Euromet

er receives financing

area dere and lak

ar in the and the

Steralls Passo di Terim

7 7 42

72 27025

d future strategy.

Chung Moog-koo: vowed to press ahead with \$10bn steel project

t its annual shareholders' meeting since the nation's crude steel production above international prices in the early & Steel (Posco) will formally announce record earnings for 1995.

But Posco's status as the world's most profitable steel producer could be under threat as the Hyundai industrial group, its biggest customer, seeks to build its own blast furnace.

Mr Chung Mong-koo, the new Hyundai chairman, recently vowed to press ahead with the \$10bn steel project as a new growth sector, along with aerospace, tele-communications and financial services, for Korea's second largest conglomerate. Government officials and industry ana-

lysts worry that Hyundai's action could result in a steel production glut in Korea after 2000 and lead to a damaging price

One main reason for Posco's 119 per cent increase to a record net profit of Won840hn (\$1.07bn) for 1995 is that steel supply and demand is carefully balanced in Korea. Posco, which is Korea's only integrated steel company, is operating at full capacity

today, South Korea's Pohang Iron still falls short of demand by almost 10m

The state-controlled company is the prime source of steel for the country's expanding car, shipbuilding and electronics industries. Exports accounted for only a quarter of Posco's sales of Won8,220bn last year.

have difficulty competing with Posco in the Korean market because transport costs and import tariffs make their products more expensive. The balanced market conditions have helped the government establish a stable pricing policy on steel that protects Posco

Moreover, foreign exporters normally

against cyclical downturns in the global steel industry. "Domestic steel prices in Korea do not necessarily move directly with international prices or domestic supply and demand due to government price con-

trols," according to Mr Park Joon-mo, of BZW Securities in Seoul. rols," according to Mr Park Joon-mo, of lowest cost producers.

BZW Securities In Seoul.

Bomestic prices for Posco steel were upset the special conditions that have

1990s, although they have now fallen below export prices due to the price

Nonetheless. Posco has been able to maintain healthy profit margins because of extremely efficient production. In 1992, it opened a fully automated state-of-the-art steel complex at Kwangyang in southern Korea to complement its original facility at Pohang Much of the equipment at Kwangyang was purchased at bargain prices as Posco took advantage of a recession among European suppliers.

The Kwangyang works boast the highest labour productivity of any steel mill in the world, at 1.9 man-hours a tonne of crude steel produced compared with 3 hours a tonne at other big steel mills abroad. BZW Securities estimates that, at \$241 a

tonne, Posco's manufacturing costs for hot rolled coil steel are 30 per cent lower than Nucer of the US, one of the world's

enabled Posco to report profits for the past tures in Vietnam and China that could 23 years.

Hyundai wants to include steel production in its sprawling industrial empire since it is already the country's largest steel consumer through its car and ship-

building operations. It wants to construct a steel mill by 1999 that would produce up to 9m tonnes annually, with 5m tonnes consumed by Hyun-dai subsidiaries and the remainder sold to other Korean companies or exported to

Hyundai predicts that there will be a domestic steel shortage of 10m tonnes after 2000, which would support sales. The government, however, believes the shortfall will amount to 5m tonnes, with the added cepacity provided by Hyundai consequently resulting in excess capacity.

Posco has responded to Hyundai's challenge by trying to pre-empt it. Posco is expanding its current production canacity of 23m tonnes to 28m tounes by 1998, which will make it the world's largest steelmaker. It is also setting up joint ven-

B. Summarised Group balance sheet

Share capital and share premius

Interests of minority shareholders

Total shareholders' capital and

**Bonds convertible into Group** 

Retained surplus

in subsidiaries

equity capital

Properties

Total assets Corrent liabilities

Other current assets

Total capital resources

Other long-term liabilities

- Contingency and other reserves

Investment revaluation and other reserves

Interests of shareholders of Liberty Life

Actuarial liabilities under unmatured policies

Government, municipal and utility stocks

Shares, mutual fund units and interests in

D. Total shareholders' capital and reserves employed at 31 December 1995

Deposits and money market securities

Interests of shareholders of Liberty Life

at 1 January Total consolidated surplus attributable to

Dividends for the year (cash equivalent)

Release of prior year's surplus from life

Interests of shareholders of Liberty Life at

and staff share incentive ochemes

fund reserves resulting from change in actuarial

Subscription for shares in respect of conversion of convertible bonds, capitalisation share awards

Interests of minority shareholders in subsidiaries

shareholders for the year

valuation basis

31 December

deprive Hyundai of potential export mar-

The state-affiliated Korea Development Institute, which supports market reforms, is urging the government to allow more competition in the steel industry, includ-ing breaking up or privatising Posco. But officials are unlikely to heed such recom-

mendations. Instead, the government might try to stop the Hyundai project by refusing to issue licences for property purchases, mill construction or the import of steelmaking

Some analysts predict that Hyundai may decide to wait for official approval of the

steel project until early 1998, when a new administration is scheduled to take office. But Hyundai's steel project may be impractical by then, according to BZW's Mr Park. Not only would Posco have time to strengthen further its dominant position in the Korean steel industry, but Hyundai's per-tonne construction cost would be double that of Posco

UKfaa

388.8 :

1994

Rm

1 720,8

5 507,6

7 906,1

6 895,4

2 411,9

32 022,3

3 937,3

53 184,6

9 987,8

12 079,6

29 013.1

1 104,2

1 780,6

1994

Rm

7 184.1

(483.2)

6 895,4

INCE

999,9

19 860,6 14 803,5

679,7

Rm

2 176,1

8 121,4

38.6 1916,5 2018,6

7 330 6 41 565,9 35 959,6

25 193,6 55 193,6

63 540,5

1 039,8

15 579,0

33 572,9

**国報報** 69 846.9 57 609.3 2 483 2 2 626.3 2 415.7

**建物的** 67 220,6 55 193,6

7 908,1

(622,6)

249,6

12363 12 567,2 12363 7 293,4

3 502.6 19 860,6 14 803,5

322,1

450,3 2 269,7

2 216 5 12 567,2

1286,5 7 293,4

6839 3877,6

2864 38 161,9 6004 3 3 404,0

297,5 1 13 026,7

159,3 4 002,2

379 2 2 144,9

# **Increased fuel costs behind** 35% decline at Napocor

By Edward Luce in Manila

The National Power Corporation (Napocor), the Philippines' largest state-owned company which is due to be privatised in the next 12 months, saw net profits tumble 35 per cent to 3.9bn pesos (\$149m) last year as a result of higher fuel prices and lower subsidies.

The company, which - with net assets valued at 150bn pesos - will be the largest privatisation in Philippine history, said the depreciation of the peso last year had increased its import bill for fuel and pushed up the cost of servicing its yen and dollardenominated debt.

Operating income (net profits before interest and related charges) reached Napocor's target of 11.6bn pesos in 1995 while operating costs were shaved from 80 per cent to 78 per cent of net revenue.

restructuring and the elimination of government subsidies would be completed this year in advance of the privatisation. Napocor is the most prolific Philippine company on the international debt markets. Last year it issued a 20-year bond in Tokyo worth Y12bn,

the longest maturity bond in

Philippine history. "Wa are not worried about the drop in net income," said Mr Rauf Tan, chief operating officer, "Napocor is undergoing restructuring at the moment to prepare it for sell-off, and the depreciation of the peso is something we cannot control." Mr Tan added that a gain of 1.4bn pesos from the currency's appreciation in 1994 dem-

fluctuation could also inflate net profits. Mr Guido Delgado, chief

onstrated bow exchange rate

international markets later into separate entities for privathis year, said that rate tisation next year was being led by a consortium of foreign companies including Merrill Lynch, the US investment bank, and N.M. Rothschild, which advised the UK government on power privatisation in the 1960s.

The final blueprint on the hreak up of Napocor, which will conduct its IPO domestically and abroad, had not yet been drawn up, but the company was likely to be separated into generating and transmission companies,

It was not clear whether generation would be split up along sectoral or geographical

"All we can say for sure is that Napocor will be sold off and Philippine power rates will move to a market driven system," Mr Delgado said. "The government also intends to use the sell-off as a device to spread and popularise share

### LIBERTY LIFE ASSOCIATION OF AFRICA LIMITED

(Registration number 57/02788/06) (Incorporated in the Republic of South Africa)

AUDITED PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 1995

		· 1995	1995	1994	2
N	ote	TIKCON	Rm	Rm	change
Net premium income and		A			
annuity considerations		2.145.1	6 492,7	5 233,3	
Net income from investments			3 936,1	3 644,2	
Unrealised investment surpluses		L. 244			
attributable to policyholders' interest		653.3	3 480,9	1 479,9	
Total income		-2632	13 909,7	10 357,4	+34,3
Claims and policyholders'					
benefits paid		770	4 375,5	3 230,7	
Commissions		1861	601,7	552,1	
Management expenses			453,9	389,8	
Taxation			390,7	223,4	
Total outgo		10.1	5 821,8	4 396,0	+32,4
Excess of income over outgo		4.00	8 087,9	5961.4	
Transfers to life funds to provide		1			
for policyholders' benefits		19.742	6 883,8	5 199,6	
Net taxed surplus attributable		man 25			
	<b>&amp;</b> 3		1 204,1	761,8	+58,1
Number of ordinary	_	1100			
shares in issue (000's)		1	244 018	238 126	
Number of ordinary		1.30			
shares on which net		13.7			
breed surplus per share		Total			
is based (000's)		1	241 605	235 569	
		7 90 7 90	201 003	20000	
		心室			
		1	(Centis)	(Cents)	
Net taxed surplus per					
	<b>£</b> 3		498,4	323,3	+54,2
Dividends per ordinary share,		300			
cash equivalent		R ALPEL			
- Interim (paid 4 October 1995)		2 2 3	116,0	96,0	+20,8
- Final (payable 3 April 1996)		-	140,0	108,0	+29,6
Total dividends		10	256,0	204,0	+25,5
C. Statement of total consolidated sur	•			•	rty Life
Association of Africa Limited for th	ie yei	er ended 31 L	ecember 19	795	
		(A)	1995	1994	

- Final (payable 3 April 1996)	- 100	140,0	108,0	+ <b>29</b> ,6
Total dividends	No. of the last	256,0	204,0	+25,5
C. Statement of total consolidated surplus Association of Africa Limited for the ye				rty Life
		1995	1994	
	DEC.	Rm	Rm	
Net trood surplus for the year per income statement		1 204,1	761,8	
Surpluses on shareholders' investments reflected in "investment revaluation and				
other reserves"				
- Realised		175,2	61,4	
- Urnealised		2 197,5	23,9	
Total consolidated surplus attributable to	ALLEN			
shareholders of Liberty Life for the year	-638.60	3 576.8	847.1	

Total shareholders' capital and reserves employed at 31 December nge at 31 December 1995 UK£1 = R5.67

D Gordon (Chairman)

Johannesburg 14 March 1996

A Romania (Managing director)

1. Restatement of comparative figures In terms of international accounting standards adopted in 1993 by The South African Institute of Chartered Accountants relating to interests in joint ventures, Liberty Life previously proportionately consolidated the 50% shareholding in the Sun Life Group, Liberty Life's London listed subsidiary, TransAtlantic Holdings PLC disposed of its 50% interest in Sun Life Holdings PLC, which disposal was completed on 31 August 1995. Accordingly, the armual financial statements at 31 December 1994 have been restated to account for the interest in the Sun Life Group as an associated company in order to facilitate comparability. The restatement has no effect on the interests of shareholders of Liberty Life or the net taxed surplus as reflected in the 1994 annual financial statements.

2. Net taxed surplus attributable to shareholders of Liberty Life. In terms of generally accepted accounting practice, Liberty Life equity accounts the earnings of its associated companies, being those companies in which an investment of not less than 20% of the equity share capital is held for the long term and over whose commercial and financial policies Liberty Life exercises significant influence.

Net taxed surplus attributable to shareholders of Liberty Life and net taxed surplus per ordinary share are reflected, in terms of generally accepted accounting practice based on the underlying net taxed surplus which includes equity accounted earnings of associated comparises attributable to shareholders.

3. Additional shareholders' surplus emerging from life insurance operations and future

In accordance with international trends to greater clarity and transparency in financial reporting for life insurance companies which impacts on Liberty Life's traditionally conservative accounting policies the net taxed surplus attributable to shareholders of Liberty Life for 1995 of R1 204.1 million has been reflected at a level 58% higher than the previous year which will constitute a new base for future years. This percentage increase in net taxed surplus is not expected to recur in future years. It is likely that greater volatility in earnings will result from the new standards adopted in 1995. The increased level of surplus emanating from life insurance operations for 1995 as compared with previous years is also in response to the charged circumstances considered by the more realistic, though still prodent, standards of the Financial Soundness convenience.

Liberty Life's dividend policy will in fining be linked to medium-term trends as opposed to the surplus emerging in any particular year and should not be unduly affected by any exceptional volatility in the disclosed level of earnings in any one year. The new standard exceptional voluting in the disclosed level of earnings in any one year. The new standard will however imply a higher dividend cover than previously prevailed although this by implication will not necessarily be a constant ratio. It is not expected that the underlying growth pattern of Liberty Life's dividend distributions in the past will be unduly affected by the new accounting basis.

In compliance with the 1995 amendments to the Actuarial Society of South Africa guideline PGN104 governing the Financial Soundness Valuation, all bonus stabilisation reserves are now included in the life funds with actuarial liabilities under unmatured policies.

The Financial Soundness Valuation, which was adopted for the first time in the financial statements of the Liberty Life Group at 31 December 1994, revealed additional actuarial surpluses of which E1 249,6 million was attributable to shareholders. This represents shareholders carned surpluses in prior years which did not emerge in those years due to On behalf of the board

Mercantile Registrars Limited 6th Floor, 94 President Street Johannesburg, 2001 PO Box 1053 Johannesburg, 2000

the restrictive valuation basis which previously applied, being the prescribed valuation basis in terms of the insurance Act. This additional surplus has now been validated in the Financial Soundness Valuation at 31 December 1995 and has accordingly been transferred from the life fund reserves attributable to shareholders to retained surplus.

The contingency and other reserves of R3 404,0 million are unallocated reserves held in the life funds in support of the life insurance operations. These reserves have effectively been strengthened by R716,3 million in 1995 after accounting for the transfer of R1 249,6 million from the life fund reserves to retained surplus referred to above. The increase in the life fund reserves in 1995 emanates from revaluation of investments and other life

5. Bonds convertible into Group equity capital

Convertible bonds comprise the funds raised in 1994 pursuant to the capital raising transactions undertaken by Liblife International BV, a wholly-owned subsidiary of Liberty Life and by TransAtlantic Holdings. During the year ended 31 December 1995 convertible bonds issued by Liblife International totalling \$17,8 million were converted into 772 960 ordinary shares in Liberty Life at a total issue price of R65,6 million.

The balance of the convertible bonds unless repurchased and cancelled are expected ultimately to be converted into ordinary shares of Liberty Life and TransAtlantic Holdings respectively, thereby increasing the total shareholders' capital and reserves of The Liberty Life Group which include minority shareholders' interests relating to TransAtlantic Holdings.

6. Group Chairman's Statement Further details of the activities of Liberty Life and its subsidiaries are contained in the Liberty Life Group Chairman's statement for 1995 which is being issued simultaneously with this announcement.

7. Capitalisation share award and right of election to receive a final cash dividend of

As previously amounced in February 1996 the directors have awarded capitalisation shares to ordinary shareholders of Liberty Life who were registered in the books of the company at the close of business on Friday, 23 February 1996. Shareholders are entitled, and will be given the opportunity, to decline the award of capitalisation shares in respect of all or any part of their shareholding and instead may elect to receive a final cash dividend in respect of the year ended 31 December 1995 of 140 cents per ordinary share.

The number of capitalisation shares to which shareholders are entitled will be determined by the ratio that 140 cents multiplied by 1,05 bears to the closing price of the company's ordinary shares on The Johannesburg Stock Exchange at the close of business on 22 March 1996 averaged with the closing prices on the three business days prior to that date ("the averaged closing price"). Accordingly shareholders who are in receipt of capitalisation shares will, based on the averaged closing price, enjoy an advantage of approximately 5% over the cesh dividend. 5% over the cash dividend.

Documentation dealing with the capitalisation share award and a final cash divide election was posted to shareholders on Thursday, 29 February 1996. In order to be valid, completed election forms will need to be received by the company's transfer secretaries, by no later than Friday, 22 March 1996. However, if the form of election is received by not later than Friday, 29 March 1996 and the envelope is postmarked 22 March 1996 or a date entier than that date the Company will accept such form of election. Should such election not be timeously received, Liberty Life will automatically issue capitalisation shares to all relevant shareholders concerned.

United Kingdom transfer secretaries Barciays Registrars Bourne House 34 Beckenham Road Beckenham

### The company, which is to executive, said an evaluation issue \$300m in debt on the of how to unbundle Napocor Board manoeuvres

buffet HK aviation News that two Citic directors have resigned from Cathay Pacific is evidence of the power game in the sector, reports John Ridding

n the subtle dealings between Hong Kong's biggest business groups, there is often more to events than meets the eye. Thus Wednesday's news that both the chairman and managing director of Citic Pacific, the Hong Kong arm of Beijing's main investment vehicle, are to resign their posts as non-executive directors of Cathay Pacific, suggested more significant

shifts than indicated by the short accompanying statement. Their departure marks the latest twist in the high-stakes manoeuvring over the future of aviation in Hong Kong, one of the most sensitive sectors ahead of next year's handover. to Chinese sovereignty. It also raises questions about the relationship between Citic, Swire Pacific (the conglomerate that controls Cathay Pacific) and CNAC, the airline arm of China's Civil Aviation Authority,

which is seeking to establish an operation in Hong Kong. Cathay said the departure of Mr Larry Yung, chairman of Cltic Pacific, and Mr Henry Fan, managing director, did not affect Citic's business ties with the airline or with Swire. Tha relationship is solid at all levels," said a Cathay official, citing the replacement of Messrs Yung and Fan by two other Citic executives, the maintenance of Citic's 10 per cent stake in Cathay, and business partnerships from bottling in China to property development in Kowloon.

Tha tone of the joint communiqua issued by Mr Peter Sutch, Cathay chairman, and Mr Yung was warm. The Citic chief, who last year left the board of Hongkong Telecom, explained his resignation in terms of the need to concentrate more on Citic's strategic development.

But on the aviation front at least, industry observers were not so sanguine. "Larry in particular was a beavy hitter in Betting," said one aviation consultant, referring to Mr Yung's connections and the fact that his father is China's vice-president. "He joined tha Cathey board with a lot of fanfare and the move was seen as a strategic step in securing Cathay's interests with China. So this

has got to be seen as a blow." One securities analyst said that the move by Mr Yung and Mr Fan, which followed a reduction in Citic's Cathay



Larry Yung: described as a heavy hitter in Beijing

stake from 12 per cent to 10 per cent last year, is evidence of a distancing in the relationship between the two companies. "There also seems to have been some weakening in Citic's standing in Beijing," he said. Either way, this isn't good news for Cathay."

Such shifts matter because of the power game daveloping in Hong Kong aviation CNAC carries clout in Beijing because of its position as a CAAC subsidiary and is making a determined push to establish itself in the colony. "They seem to be making progress on their licence application," said Mr Kaushik Shridharani, airline analyst at UBS Securities.

This worries Cathay, mainly because of CNAC's ties with the Chinese aviation authority. "How can you be player and eferee at the same time?" asks Mr Rod Eddington, Cathay managing director. The fear is new routes could be awarded to a China-backed rival.

In the short term, it is Dragon Air which is likely to bear the brunt of a CNAC licence. The carrier, which has grown rapidly and which is jointly controlled by Cathay and Citic, operates on routes into China and to some regional destinations. It would be the first to confront an emerging CNAC service.

The boardroom manoeuvres at Cathay suggest Citic is signalling its priority lies with Dragon Air, and may be seeking to establish itself as the Chinese player in Hong Kong aviation. This would intensify its rivalry with CNAC, raising the stakes in the contest between the mainland groups. Amid these manoeuvrings, only one thing is clear: the sector is set for a humpy ride.

### Liberty Life ahead 58% on accounting changes

By Mark Ashurst

Liberty Life, South Africa's largest listed life assurer, has announced a 58 per cent increase to R1.204bn (\$308m) in net taxed surplus attribut-able to shareholders after amending its accounts to include the surplus on its life

insurance operations. The adoption of more transparent accounting procedures boosted earnings per share by an exceptional 54.2 per cent to 498.4 cents for calendar 1995. The dividend increased 25.5 per cent to the cash equivalent of 256 cents a share.

Mr Donny Gordon, chairman, said the 17 per cent tax on interest income on pension funds imposed in Wednesday's government budget was unlikely to bring a change in investment strategy or further forays into the equity markets. Liberty Life has a strong portfolio of tightly held South African industrial stocks.

The improved aarnings reflected "an enormous appreciation in Liberty Life's strategic investments", but Mr Gor-don warned the increase in net taxed surplus was "not expected to recur". He forecast greater variation in future results "because volatility will no longer be taken inside the reserves of the life fund".

Analysts welcomed the improved disclosure, which they said heralded "a change of mindset", but were unsurprised by the value of the surplus. "The trading p/e ratio is down to about 24, from as high as 35 in the past. We are looking at a forward p/e of less than 20 per cent," said

Total income for the period rose 34.3 per cent from R10.4bn to R13.9bn, dne largely to a R2bn increase in unrealised investment surpluses to R3.5bm. Total assets increased by 21 per cent from R57.6bn to R69.8bn, and bonuses paid to policyholders rose to R4.3hn from R3.2hn. New business at Liberty Life and Charter Life, its wholly owned subsidiary, had reached a record R4bn during financial

Transatlantic Holdings, the international properties group with a UK capital base of £1.75m (\$2.585m), had disposed of its 50 per cent interest in Sun Life for £527m, and had been renamed Liberty International Holdings and had expanded operations to include financial services.

### INTERNATIONAL COMPANIES AND FINANCE

### AMERICAS NEWS DIGEST

### AT&T's WorldNet service goes live

AT&T's new Internet access service, WorldNet, went live yesterday, with more than 212,000 customers signed up, lifting it to the top ranks of the world's largest direct access Internet

AT&T said it had received orders for the service at a rate of one every four seconds since it announced WorldNet at the end of February. The telecommunications company is offering 12 months free service to its 90m US telephone customers if they sign up before the end of this year. AT&T is sending software to new customers in phases, to ensure the system does not get overloaded. "We're adding customers as fast as we can while preserving quality of service," said Mr Tom Evslin, vice-president of AT&T WorldNet.

AT&T said last week that WorldNet customers would be able to access America Online, the leading online information service at reduced cost. Louise Kehoe, San Francisco

### Chilean oil company ahead

Empresa Nacional del Petroleo (Enap), Chile's state oil company, lifted net profits from \$101.2m in 1994 to \$116.6m last year. The profits included \$43m from the central division, also known as Enap, which operates wells in the far southern Straits of Magellan.

Profits of the Petrox refinery unit were \$31.2m, while the international unit Sipetrol posted earnings of \$24.6m. Enap's two other divisions' earnings totalled \$18m. The company produced 1.3m cu m of crude oil last year, of

which 605,000 cu m came from its Magallanes division. Sipetrol, which also operates in Argentina, produced 707,000

### Slow going for Apple Computer Appla Computer is unlikely to match 1995's profit in the coming year, according to Mr Gilbert Amelio, chief executive

At a news conference, Mr Amelio said "We aren't likely to do as well this year as in the last [year]." Apple earlier reported a \$69m net loss in the first quarter of 1996 and has predicted a lower profit in the second quarter.

### Corimon share trade halted

Venezuela's National Shares Commission (CNV) again suspended trading of troubled paints and packaging company Corimon on local stock exchanges for a further 30 days, according to a copy of Official Gazette.

The CNV said the stock was suspended again because the company failed to present comparable financial accounts for the last quarter of 1995 and for failing to meet its commitments to commercial paper holders. The CNV first suspended Corimon shares for 30 days on February 13.

The company recently announced losses of 34.71bn bolivars (\$11.9m) for the nine months ended December 31, 1995, against a 741m bolivar loss for the corresponding period in 1994.

### Phelps Dodge in Peruvian deal

Peruvian mining firm Cla Minera Milpo has signed an agreement with US-based Phelps Dodge to develop its Cerro Lindo copper deposit in southern Peru.

Phelps Dodge, the largest copper producer in the US, and Milpo also are partners in the exploration of the Chapi copper project in the southern Andes. Milpo produces mostly lead and zinc at its underground mine in the central Andes and owns the mining rights to thousands of hectares across Peru. Its shares are considered a blue chip on the Lima exchange.

### General Mills earnings soar

General Mills, the US food group, bounced back from its restructuring a year earlier with a big increase in third-quarter net profits from \$20.2m to \$116.3m, leaving aside discontinued restaurant operations. Sales from continuing

operations rose from \$1.22bn to \$1.31bn.

Mr Steven Sanger, chairman and chief executive, said the results were driven by strong performances across the US domestic businesses, including 6 per cent volume growth, strong profit gains by Big G cereals, Betty Crocker mixes and Gold Medal, and a profit recovery in snacks. Outside the US, General Mills had volume growth of 8 per cent. Richard Tomkins, New York

### PepsiCo in advertising record

PepsiCo, the US soft drink manufacturer, is to spend almost 52m (\$3.05m) making a TV advertisement to launch new-look blue cans for its Pepsi, Diet Pepsi and Pepsi Max drinks, according to Marketing, the UK trade magazine. The report claims the ad, for a campaign which will run internationally, sets a record for spending on a single commercial.

Diane Summers, Marketing Correspondent

### By Tony Jackson in New York

Seagram, the drinks and entertainment group, saw an 6 per cent drop in operating prof-its to \$234m in the fourth quarter in spite of a 65 per cent rise in revenues to \$3.7bn. It also warned of lower cash flow in the period to end-June this

in the latest quarter, comparisons were affected by the acquisitions of MCA, the film and music group, and Dole

On a lika-for-like basis. MCA's cash flow was down 18 per cent at \$133m. Seagram

and to heavy investment in contracts with new artists and

The downturn in music was partly offset by strong results in films. Recent releases from MCA include Apollo 13, Casper and Bobe. Waterworld, the enormously expensive epic being completed at the time of the MCA purchase, had done well at the box office, Seagram said, while the cost over-runs had been written off in the pre-

The wines and spirits husiness suffered a 16 per cent drop

said this was due to an exceptionally strong performance in music in the previous year, was due to continued poor \$55m on sales up 32 per cent at \$1.8bn. This \$515m.

\*\*Besides the effect of the Dole\*\* trading in Europe, particularly Germany, Spain and Portugal, partly offset by strong results

Seagram registers fourth-quarter decline

from Asia-Pacific. Mr Robert Matschulatt, chief financial officer, said: "Europe was weak in wines and spurits all year, but I don't think any body knew just how weak it was going to be. We do expect results to get better now. "The fourth quarter was the bottom, though we don't know exactly when it'll come back or

In fruit julces and mixers, cash flow was up 40 per cent at

acquisition, there was a 22 per cent increase in sales of Tropicana fruit juice.

There had been heavy investment in expanding the business outside the US, which was expected to pay off in the current year.

end from end-January to end-June. It warned that cash flow on a like-for-like basis was likely to be down in the fivemonth period, as a result of continued tough trading in European drinks and further heavy investment in MCA.

Seagram is to change its year

the full year starting in June, the wines and spirits division would produce improved results due to the restructuring programme announced last November at a cost of \$290m. Seagram plans to cut about 140 jobs out of a total of 1,400 in its champagne, cognac and distribution businesses in France, according to unions, reports AFX News in Paris.

Some 60 jobs will be lost at its Mumm and Perrier-Jouat champagne units, about 65 at Martell cognac and 15 at its Seagram France distribution unit by 1998, the sources

### **Profits slip** at Dayton Hudson

By Richard Tomkins

Dayton Hudson, the fourthbiggest US retailer, joined other US store groups in reporting a poor fourth quar-ter with net profits slipping from \$279m to \$228m.

However, it said cost-cutting and better gross margins should belp it towards "signif-icantly higher" profits this

The company's forecast added to a ripple of cautious optimism in the stock market about the prospects of a retail-ing recovery. Dayton Hudson shares rose \$2% to \$82% in early trading, Wal-Mart Stores improved \$% at \$23%, and Kmart shares were up \$% at

Dayton Hudson has 670 Target discount warehouses. 295 Mervyn's stores and 64 traditional department stores. Its Target chain competes with the Wal-Mart and Kmart discount warehouses

The retailer's full-year profits fell from \$434m to \$311m in what Mr Bob Ulrich, chairman and chief executive, described as "a difficult year". All three of the company's store chains were hit.

Mr Ulrich said the current year would show an improvement because the company had identified cost savings

# Buy-back plan gives Monsanto shares a fillip

\$175, \$200 and \$225, with 80 per

three higher prices.

group said.

### By Maggie Urry

Shares in Monsanto, the US chemicals group, jumped yes-terday as the company announced a series of moves

holder value. In morning trading the share price rose \$7%, or 5 per cent, to

intended to improve share-

ft said it would resume a share buy-back plan and aimed to buy up to 8m shares. That would reduce the number of shares in issue by 7 per cent, and at yesterday's share price would cost more than \$1.2bn. The group, which has been

cultural biotechnology company under a new management team, will ask shareholders to authorise the issue of up to 850m shares, compared with the current 118m outstanding. This would allow Monsanto

"to react quickly to opportunities", the group said, or to permit a large stock split which would reduce the beavy share Further, the company revamped its compensation

and stock option schemes to increase incentives across the Senior management would be given stock options which could only be triggered at

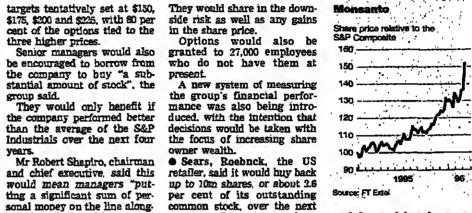
Mr Robert Shapiro, chairman and chief executive, said this would mean managers "putting a significant sum of personal money on the line along. side the substantial investment

share owners have made".

cent of the options tied to the in the share price. Options would also be Senior managers would also granted to 27,000 employees be encouraged to borrow from who do not have them at present

the company to buy "a substantial amount of stock", the the group's financial perfor-mance was also being intro-They would only henefit if duced, with the intention that the company performed better than the average of the S&P decisions would be taken with the focus of increasing share Industrials over the next four

owner wealth. • Sears, Roebnck, the US retailer, said it would huy back up to 10m shares, or about 2.6 per cent of its outstanding common stock, over the next two years, Renter reports from Illinois. The shares would be



used for stock-based company

# Travelers broadens its horizons in financial services

### Sandy Weill, who seems to relish his role as the outsider in US finance, talks to Richard Waters

he lunchtime bustle makes the precincts of Smith Barney feel more like a railway station than a stockbroking firm. Step outside, into the decaying streets of this unfashionable corner of New York's Tribeca district, and it feels even less like the home of one of the most powerful financial businesses in the US. The twin towers of the World Trade Center loom some distance away, above the crumbling facades of old warehouses and low-rise tenements. Mr Sandy Weill, whose Trav-elers group owns Smith Bar-

ney, seems to relish his role as deal, Mr Weill almost allows the outsider in US finance. A decade after quitting as president of American Express, he has built, from scratch, a market value now equals that of his former employer. Rejected by the conservative east coast establishment types who once ran American Express, Mr Weill has used savvy deal-making skills and a prodigious drive to create a

financial empire of his own.
With a nod to Smith Barney's marketing slogan, he
points to a culture at the broking firm that seems in tune with his own values. They're doing it the old fashioned way - they're earning it."

Mr Weill's successes - and the stresses of building what has become one of the broadest financial services groups in the US - have been amply illustrated by the events of recent

First came an agreement to buy the property/casualty insurance operations of Aema

Like the 1993 agreement to take over the Travelers insurance company, from which the group now takes its name, this was an opportunistic purchase of a weakened insurance business. Alongside GE Capital and CNA, Travelers has become one of a handful of buyers of insurance companies who have imported management techniques learnt in other branches of the financial world to this famously insular industry. When discussing the Aetna

himself to gloat. "There are very few industries that you can hay into at book value, says. That has been followed, though, by a setback, the partial unravelling of the investment banking division being created at Smith Barney,

including the departure of Mr

Robert Greenhill, the former Morgan Stanley banker who had become the broker's chief executive. Like Merrill Lynch before it, Smith Barney has tried to use its big securities sales force as a platform for huilding an investment banking husiness. With the purchase from American Express of the Shearson Lehman retall broking operations in 1993, Smith Bar-

ney vaulted into the big

league: its 10,700 retail brokers

now put it second only

### COMPANY PROFILE: Travelers Corp

Market capitalisation	\$19.8bn
Main fisting	New York
Historic P/E	12.21
Gross yield	1.3%
Earnings per share	\$5.5
Current share price	\$62.75

Share price relative to the Earnings per share

ford & Poors, FI Extel

to Merrill's 13,800. But the underwriting and M&A deals have not followed, and internal wrangling has led to several high-level departures, including that of Mr

When asked about the upheaval, Mr Weill chooses his words with care. 'It's an interesting business to manage," he says, adding: "Sometimes these things go in fits and starts. It takes time to work things out within the constraints of how you can manage it."

# 95 -1991 93 "

Many analysts who have fol-lowed Mr Weill's career believe he will succeed in the end. With its powerful network for distributing securities, Smith Barney remains a strong con-

Mr Weill's management team also has a better track record of managing disparate financlal services businesses than many others before it, including giants like American Express and Prudential Smith Barney's return on capital last year, at nearly 25 per cent, And, while accounting changes and a reorganisation make it difficult to compare the results of the Travelers insurance business with what they were before the 1993 takeover, it is at least clear that insurance profits jumped more than 30 per cent last year. Travelers is now trying its

exceeded that of Merrill Lynch.

hand at another skill that broad-based financial services groups have proved notoriously slow to master in the past - cross-selling different products to its customers.

Most of its success in this area so far has come through PFS, the network of almost 100,000 agents created to sell the term life policies of the old Primerica group. Last year, mntual funds (though not all of those were run by Smith Barney funds) and by the year end accounted for \$1.3bn of the second mortgage loans made by Commercial Credit, Travelers' consumer finance unit. Over the past year, the PFS agents have also started selling home-owner's insurance poli-

cies designed by Travelers. The next step is an attempt to sell a wider range of products through Travelers' other big sales force, at Smith Barney. So far, that has centred around a variable annuity designed by Travelers, and which raised \$1bn in December alone.

"That's a rate of two and a half times what they [Travelers] were selling though their

independent agents, and It's just starting," Mr Weill adds. The Travelers chairman says his attempt to build a diverse financial services group has little in common with the "financial supermarket" idea popular a decade ago. That beld that consumers of financial products, like those of groceries, would one day shop for all their loans, insurance policies

and investments in one place. The notion of a supermarket, with its low profit margins and loss-leaders, is one that Mr Weill scorns. Rather, he says, each part of Travelers' business has to justify Itself on Its own terms. A record of seiling marginal businesses and scrapping unprofitable product lines has helped convince Wall

act on this promise. investment products available

Despite the failure to pull off these deals, Travalers has plenty of momentum behind it, says Mr Samuel Liss, an anaproperty/casualty business, they already have their next challenge," he says.

These Bonds have been sold

March 13, 1996



### City of Copenhagen

DM 100,000,000 61/80% Bonds due 2006

Dai-Ichi Kangyo Bank (Deutschland) AG

Bayerische Vereinsbank AG

YAMAICHI BANK (Deutschland) GmbH

Bank of Tokyo (Deutschland)

Sal. Oppenheim jr. & Cle.

Tokai Bank (Deutschland) GmbH

DSL Bank Stadtsparkasse Köln

Trinkaus & Burkhardt

securities

BANQUE PARIBAS US\$200,000,000 Undated floating rate

In occordance with the provisions of the securities, notice is hereby given that for the three month interest period from 15 March 1996 to 17 June 1996 the securities will carry an interest rate of 5.75% per annum. Interest due on 17 June 1996 will amount to US\$15.01

Agent: Morgan Guaranty Trust Company

**JPMorgan** 

BANQUE PARIBAS

US\$400.000,000 Undated subordinated floating rate securities In accordance with the provisions of the securities, notice is hereby given that for the interest period from 15 March 1995 to 17 June 1996 the securities will carry an Interest rate of 5.625% per annum. Interest payable vai 17 June 1996 per US\$1,000 security will amount to US\$14,69 and per US\$10,000 security will am US\$146.88. Agent: Morgan Guaranty Trust Company

**JPMorgan** 

(the "London Stock Exchange") and appears as a matter of record only. It does not constitute an offer or invitation to subscribe for or purchase any securities of Fulmar plc. Fulmar plc is a commercial printer offering a range of printing services comprising pre-press, printing and finishing. It specialises in high-quality, sheet-fed colour printing.

### Fulmar plc

(Incorporated and registered in England and Wates - 1031732)

Placing 11,217,467 Ordinary Shares of 5p each

> at 154p per Ordinary Share Share Capital following the Placing

40,000,000 £2,000,000 Ordinary Shares of 5p each

Issued and fully paid 31,525,518 £1,566,275

Application has been made to the London Stock Exchange for the whole of the ordinary share capital of Fulmar pic issued and now being issued to be admitted to the Official List. It is expected that admission will become effective and that dealings in Ordinary Shares will commence on Copies of the listing particulars relating to Fulmar plc may be obtained during usual business hours on any weekday (Saturday and public holidays excepted) until 18th March, 1996 from the Company Announcements Office of the London Stock Exchange, London Stock Exchange Tower, Capel Court Entrance. Off Bartholomew Lane, London EC2N 1HP (for collection only)

and until 28th March, 1996 from: **UBS** Limited 100 Liverpool Street London EC2M 2RH

The Orion Centre 108 Beddington Lane Croydon Surrey CRO 4YY

15th March 1995



Authorised

Andrew Skercyceld on +44 0171, 973 4054

CITICORPO DM300,000,000

Floating Rate Notes Due December 1999 (the "Notes") Nation is hereby given that the Rate of interest for the interest Period March 15, 1996 to June 17, 1996 has been found at 3.61719% and that the interest poyedle on the relevant interest Payment Date June 17, 1996, against Coupon No. 6 will be DM9.44 in respect of DM1.000 nominal of the Nates and will be DM9.440 in respect of DM10,000 nominal of the Nates.

March 15, 1996, Landon
By: Criticank, N.A. (Issuer Services), Agent Bank

CITIBANC

So far, Travelers' growth has been purely domestic - though failed attempts early last year to buy Barings and to take a big stake in S.G. Warburg point to growing ambitions abroad. According to Mr Weill, the aim was to add an international dimension to the range of

to customers in the US.

lyst at CS First Boston. There's so much going on with the integration of their domestic products, and the

This notice is issued in accordance with the requirements of London Stock Exchange Limited

**UBS** Limited

LE CONTRA LE LES PARENTES DE The state of the s Company of ित्रक सर्व छ छ अस्ता है क्षेत्रक के क्षेत्रक

TV1Ces

Lehn & Fink

acquisition buoys Reckitt By Roderick Oram,

Reckitt & Colman appears poised for double digit growth in earnings per share following the successful integration of Lehn & Fink, the US household products maker it bought last year. Buying L&F hrought substance and credibility to our goal of being the world's leading supplier of household products," said Mr Alan Dalby, chairman.

Encouraged by strong 1995 results reported yesterday, management commants on strategy and signals of steady dividend growth, the shares closed up 34p at 655p.

Reckitt's top three priorities were to build on its enhanced US presence, invest in emerging markets and change the

drop from 1,800 to 1,500.

a total of £20m (\$31m).

volumes were relatively buoyant.

Volume slowdown

behind fall at Exco

moneybroking group plummeted from £43.5m to £18.5m (\$28m) in 1995. Profits took in exceptional charges of £4.9m following a restructuring which saw staff numbers, excluding hirings,

The shares rose 10p to 117p after the stock market responded

positively to comments on the state of trading this year, which

Exco said mirrored conditions in the first half of 1995, when

moving its centre of gravity to California, where it processes produce such as raisins, almonds and primes under the Del

Monte brand, following the sale of its home baking division for

Mr Mike Firth, founder and chairman, described the UK food market as tough, pointing out that the group served a world market from California. He expects to seek a US listing, probably on Nasdaq, to run alongside the UK listing, in about

Yorks Food California bound Yorkshire Food, the Bradford-based food processing group, is

Telemetrix bit by fall in US

Reduced profits at its US subsidiary hit Telemetriz, the

specialised electronic components supplier, and 1995 pre-tax profits fell 9 per cent to £10.4m (\$16m).

£106.4m. This partly reflected higher than expected losses at

Promptus Communications, the supplier of digital network

GTT's profits were also depressed by the £700,000 cost associated with the departure of Mr Gary Luick, president and chief executive of GTI, at the end of last year. Motoko Rich

S Africa float for Howden arm

Howden Group, the Scottish industrial equipment manufacturer, is seeking to float between 40 per cand 50 per cent of Howden Africa Holdings, a wholly owned South African subsidiary, on the Johannesburg stock exchange.

Proceeds will be used for investment in its US operations.

Operating profits at GTI, the 57 per cent-owned US offshoot,

markets took its toll on Exco. Pre-tax profits at the

company from a collection of local husinesses to an interna-tional one, stated Mr Vernon Sankey, chief executive.

It was wrong to compare Reckitt with Unilever or Procter & Gamble, he said. They compated in mass-markat areas of household products such as detergents, whereas Reckitt was in higher margin niches such as specialised cleaners. Thus, Reckitt had the scale and resources to build its

The first benefits from L&F showed through in the rise in pre-tax profits to £417.8m (\$640m), against £160.2m. However, 1995 figures included an exceptional profit of £132.7m on the disposal of the group's food business in the UK, partially offset by the sala of some US brands, In 1994 there were



Vernon Sankey: group poised for double-digit earnings growth

exceptional credits of £29m but £139m of reorganisation costs.

L&F with Reckitt's existing North American husiness, European operating profits sales of L&F brands rose 10 per were £113.2m (£101.9m) giving cent.

uncertainty places Lucas, the engineering company, in an embarrassing position over whether to make an announcement about the likely change

remain to be agreed, and the chairman, have been in intensive pegotiations in the past few days to try to resolve the outstanding issues. Yet agreement is thought unlikely before Tuesday.

# Legal & General advances 61% and looks to develop banking services

By Alison Smith,

**Investment Correspondent** 

Legal & General, the life assurance group, is looking to develop its banking services. probably later this year. Mr David Prosser, chief executive, said yesterday the group was looking seriously at deposit-taking, although it was not interested in going into retail banking.

L&G also announced a 61 per cent rise in pre-tax profits to £271.3m (\$415m) largely thanks to a much stronger investment performance in 1995. On the basis of smoothed investment returns, its pre-tax 1995, against £228m in 1994.

The group's Fairmount subsidiary already holds a banking licence, but Mr Prosser said that it had not yet been decided whether to re-brand Fairmount to provide L&G deposit accounts, or to seek a second licence from the Bank of England.

Offering a deposit account, which could be used to hold policies that had matured, would be a "natural" and "complementary" extension to the product range.

(0.19LA) (4.09 ) (3.12 )

1.5L 5.26 2.31♥ 1.502♥

The UK life and pensions business contributed £181.5m (£131.1m) to group pre-tax profits, partly reflecting the special bonus

profit would have been about £240m in to UK with profits policyholders. This 1995, against £228m in 1994. bonus, which totals £163m and amounts to 37 per cent of the normal annual bonus for 1995, followed the agreement reached with the Department of Trade and Industry last November on restructuring the long-term life funds. It led to a contribution of £18m in the total £121.6m net transfer from the

fund to the profit and loss account. The group's general insurance profit grew to £42.2m (£20.6m) as a recovery in the investment markets more than offset £38m in claims for subsidence and the December freeze across its household and commercial property books.

16.075表 9.725表

0.425

trading margin of 14.5 per	Profits in Australasia and	Coats Viyella	Yr to Dec 31		(2,589 )	162.5	(105,14)	15.7	(7.8)	
ent (14.2 per cent).	Asia rose to £64.1m (£50.5m)	Coulds Consulting		33.7	( 281)	2.39	(0)	2.52	(1.314 )	
North American profits	but fell in Africa to £20.9m	Davis Service			(322.2)	24.1	(25.4)	15.23	(16.98 )	
		Electrophoretics		-	(- )	1,391	(D.DZL )	2.452	(-)	
early doubled to £101.5m	(£21.3m). Latin America fell to	Emess		165.5	(145.1 )	6.3	(6.4 )	0.9	(0.1 )	
57.2m) giving a margin of 13.2	£49.8m (£54.1m) resulting from	Enterprise 00		782.6	(651.3 )	101.6	(71条件 1	1B.3	(11.7)	
er cent (11.6 per cent). Despite	severe economic setbacks in	Emo		207.6	(234.4)	18.34	(43.5)	8.3	(19.3 )	
e distractions of merging	Mexico and Argentina	Flomerics &		4.15	(3.1)	0.416	(0.407)	11	(11.1	
		Green (Ernest)		3.22	(4.15)	0.576L	(0.322)	6.3L	(1.9)	
		Jeyes			(109.1)	1.29	(4.16LA)	3.4	(16.2L)	
		Legal & General			(21.7)	271.3	(168.6)	39.72	(22.68)	
-HI CINCO	to cianina	Lagica		125.9	(113.6)	9.04	(7.22)	9.8	(7.8 )	
	to signing	Maythower		202.3	(137.5)	7.13	(8.594)	2.52	(3.45 )	
	0 0	Micro Focus		77.3	(89.9 )	6.54	(8.724)	43.6L	(32)	
7.	_	Mirror		512	(482.9)	106.7♥	(189.3 <b>\</b> )	16.8	(35.2)	
simpson ti	rom Lucas	MTL Instruments		34.6	(30 )	4.61	(4.8 )	16.5	(17.8)	
MIINOAII II	UIII LUCAS	Pittards		110	(121.3)	0.522L♥	(2.164)	4L	(7.2 )	
1		Recidit & Colman		2,353	(2,079)	417.B	(160,2♠)	76.9	(21.3)	
		Strier		28.4	(30.9)	3.3♥	(B)	4.2	(3.62)	
Bernard Gray and Tim Burt	before it presents its interim	Steel Burtle		43.2	(45 <b>m</b> )	5.71	(7.51 <b>∳</b> )	7.67†	(9.52)	
	results next Tuesday.	Telemetrix		15 <del>9</del> .6	(137.5)	10.4	(11.4 )	5.3	(8.6)	
ne General Electric Company	Neither GEC por Lucas had	Television Corp		5.47	(3.6)	2.72L	(0.276)	29.11	(3.2)	
		United Biscuits		3,436	(3,430 )	100.6L	(131.B)	23.BL	(16.3)	
close to signing Mr George	planned to make a statement	Watmoughs		208.4	(179.9 )	23.7	(20.1)	23.8	(20.3)	
mpson, the chief executive of	until April, when all of the	Wood (Arthur)		4.58	(4.B5 )	0.454	(0.279 )	16.16	(10.24)	
cas, as its new chief execu-	contract terms would have	World of Leather	Yr to Dec; 31	29.2	(29.7)	0.517L	(0.537)	4.5	(4.7)	
re to replace Lord Weinstock	been resolved.									
o is retiring later this year.	Sir Brian Pearse, Lucas's					Attrac		100		
Final details of the contract		Investment Trusts		EAV	(P)	Exercise	ED)	EPS	(p)	- P
Litter necessary or the countract	chairman, and Lord Prior, GEC	OTH Fadament	C	1107			M 700 1	F 40		

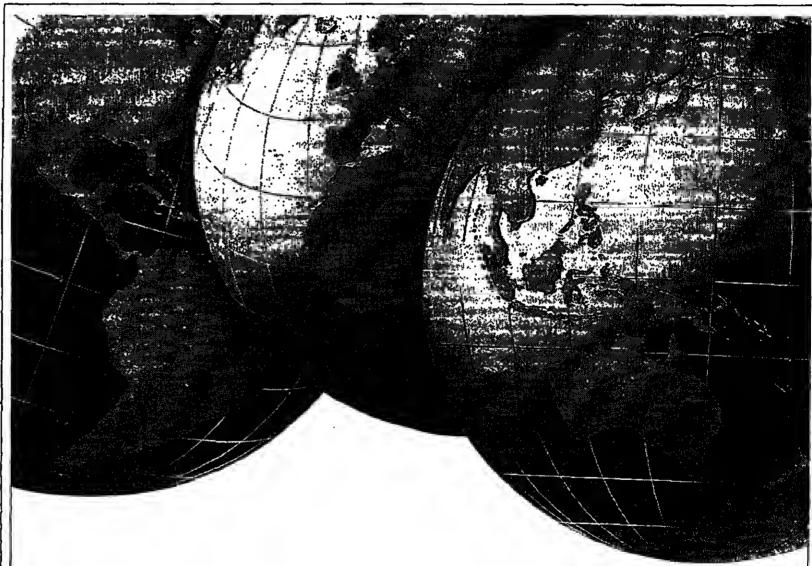
(0.086 (1.04) Earthings shown basic, Dividends shown hat, Figures in brackets are for corresponding period, +: Com

### Rexam disposals raise £31m

Rexam has sold three non-core husinesses for a total of more than £31m (\$47m), but the printing and packaging group played down the significance of the disposals, describing them as a "tidying up of peripheral businesses".

The largest of the deals involves Opax, a subsidtery tickets and promotional games internationally. Rexam said it had signed a letter of intent to sell Opax to Scientific Games Holdings, a US lottery ticket maker, for £15.5m.

Separately, Rexam said it had completed the sale of its UK subsidiary Victor to MA Hanna UK for £11.6m and its US unit Rexam Performance Products to Lamtec Corporation for \$6.5m.



# ₩ groupe Promodès

**Consolidated Results** 

(in FF millions excluding per share details)	Change 95/94	1995	1994
Net sales	+ 6.2%	100,576	94,681
Earnings before interest, taxes and extraordinary Items	- 6.3%	2,186	2,334
Income on ordinary activities	+ 3.9%	2,029	1,952
Net income	+ 9.0%	1,217	1,117
Net income excluding minority interests	+13.6%	1,022	900
Earnings per share	+)3.1%	FF 57.1	FF 50.5

On a comparable structure and constant exchange rate basis, sales would have risen 6.6%. The decrease in earnings before interest, taxes and extraordinary items can be attributed to new tax measures adopted in France and initiatives taken to speed our international development. The tax measures, which come into force under the new corporate tax legislation, had a FF 108 million negative impact an net income excluding minority interest

Gross cost-flow stood at FF 2,642 million and the Group's long-term debt, including the issue of convertible bonds which are currently being exchanged for shares, represented 57.1% at stockholders' equity.

At the Annual General Meeting of May 21, 1996, the Board will propose a net dividend of FF 12 per share, an increase of 14.3% an last year.

PROMODES WEB SITE, http://www.promodes.fr

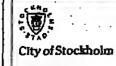


European Investment

TTL 1,000,000,000,000 Floating rate notes due December 1998

The notes will bear interest at 9.45% per annum from 15 March 1996 to 17 June 1996. Interest payable on 17 June 1996 will amount to ITL 123,375 per ITL 5,000,000 поте and ГП. 1,233,750 per ГП, 50,000,000 note.

Agent: Morgan Guaranty Trust Company JPMorgan

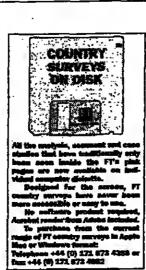


US\$325,000,000 Floating rate notes 1999

Notice is hereby given that the notes will bear interest at 5.35156% per annum from 15 March 1996 to 17 June 1996. iterest payable on 17 June 1996 mill amount to US\$13.97 per US\$1,000 note, US\$139.74 per US\$10,000 note and US\$1,397.35 per US\$100,000 note.

Agent: Morgan Guaranty Trust Company

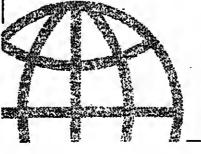
**JPMorgan** 



# Investing for value worldwide

	1995	1994	
Worldwide sales*	£9,010 m	£8,280m	Up 9%
Profit before tax	£1,503m	£1,412m	Up 6%
Earnings per share <sup>†</sup>	24.9p	22.7p	Up 10 %
Dividend per share			
Conventional equivalent	14.69p	13.50p	Up 9%
Payable as Foreign Income Dividend	16.075 p	14.80p	Up 9%

 Continuing sales including acquisitions † Fully diluted







Following the DIVIDEND DECLARATION by Ford Motor Company (U.S.) on 11 January, 1996 NOTICE is now given that the following DISTRIBUTION will become pavable on or after 15 March, 1996.

Gross Distribution per unit Less 15% USA Withholding Tax

0.2625 Cents 1.4875 Cents

Claims should be lodged with the DEPOSITARY; National Westminster Bank PLC, Basement, Juno Court, 24 Prescot Street, London E1 8BB on special forme obtainable from

United Kingdom Banks and Members of the Stock Exchange should mark payment of the dividend in the appropriate square on the reverse of the certificate.

All other cleimants must complete the epecial form and present this et the above eddress together with the ertificate(s) for marking by the National Westminster Bank PLC. Postal applications cannot be accepted.



### **European Investment Bank**

Portuguese Escudos 30 Billion Floating Rate Bonds due March 2005 (issued on March 15, 1995) Portuguese Escudos 30 Billion Floating Rate Bonds due March 2005 (issued on June 15, 1995) Notice to the Holders

Notice is hereby given that the Bonds will carry an Interest Rate of 7.769% per annum for the period 15.03.1996 to 15.06.1996,

US\$100,000,000

Subordinated Collared

Floating Rate Depositary

Corporation plc evidencing entitlement to payment of

deposits with Banco di Napoli

The receipts will bear interest

at 6,125% per annum from 15 March 1996 to 16 Septembe

1996. Interest payable on 16

US\$314.76 per US\$10,000 and US\$3,147.57 per US\$100,000

Agent: Morgan Guaranty

**JPMorgan** 

US\$31.48 per US\$1,000.

ember 1996 will amount to

principal and interest on

Hong Kong Branch

Receipts due 2003 issued by

- PTE 1,958 per PTE 100,000 nominal per PTE 1,000,000 nominal
- PTE 195,821 per PTE 10,000,000 nominal PTE 979,107 per PTE 50,000,000 nomina

Luxembourg, March 15, 1996

U.S. \$200,000,000 Midiand International

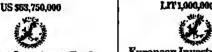
Financial Services B.V. Guaranteed Floating Rate Notes due 1999

Midiand Bank pic



Notice is hereby given that for the six months interest Period from March 15, 1996 to September 16, 1996 (185 days) the Note Rate has been determined at 5.5625% per annum. The interest payable or the relevant interest payment date, September 16, 1996 will be U.S. \$285,85 per U.S. \$10,000 nominal

By: The Chase Manhattan Back, N.A. Loudon, Agent Bask March 15, 1996



European Investment Bank Floating Rate Notes due 2008 For the period from March 15, 1996 to September 16, 1996 the Notes will carry an September E, 1996 the Notes was a nitrated rate of 5.441276 per annual with m interest amount of US \$27.96 per ils \$1,000.

The relevant interest payment date will se September 15, 1995.

BANQUE PARIBAS

LTT1,000,000,000

European Investment Bank Floating Rate Notes due 2001 For the period from March 15, 1996 to June 17, 1998 the Notes will carry an interest take of 9.45% per annum with an interest amount of LIT 123,375 per LIT 5,000,000 and LIT 1,233,750 per LIT 50,000,000.

BANQUE PARIBAS

U.S. \$400,000,000 Hydro-Québec

Undated Floating Rate Notes, Series GL. Unconditionally guaranteed as to payment of principal and interest by

Province de Ouébec

Interest Rate

5.5625% per annum 16th September 1996

U.S. \$285.85

Interest Amnunt per U.S. \$10,000 Note due 16th September 1996

CS FIRST BOSTON

Dong-A Pharmaceutical Co., Ltd.

U.S. \$25,000,000

31/s per cent. Convertible Bonds due 2006 (the "Bonds")

NOTICE IS HEREBY GIVEN to the holders of the Bonds that, as a result of the issue by the Company to holders of its common shares of a dividend of 160.644 shares, such dividend having been approved by a general meeting of shareholders held on 29th February, 1996, the Conversion Price meeting of sharemoners using our work 18,100 to Won 17,840 pursuant to

15th March, 1996

Dong-A Pharmaceutical Co., Ltd.

### **COMPANY NEWS: UK**

Loss of £100.6m after charges for US and Spanish activities

# **UB** pledges return to profit

United Biscuits pledged yesterday to show a good improvement in underlying profitability this year as it reported what it called a "dreadful year" which resulted in a pre-tax loss of £100.6m (\$154m). Even hefore exceptional charges of £150.3m, pre-tax profits halved to £78.1m.

The exceptionals mainly reflected its costly disengage-ment from the US and Spanish markets. Departure from them

**Fleming** 

By Philip Coggan, Markets Editor

American

taken back

to US roots

Fleming American Investment

Trust said yesterday that the

US Environmental Protection

Agency had formally insti-

tuted proceedings against it in a claim for the costs of

cleaning-up a polluted site in Slidell, Louisiana.

The claim dates back to

1882-1902 when Fleming American, then known as the Alabama, New Orleans and

Pacific Junction Railways

Company, operated a creosote

factory for treating railway

sleepers. The EPA has esti-mated the costs of the clean-up

will be \$132m but other com-

panies are also being pursued. Since October, when the trust announced that it was being pursued by the EPA, the

shares have slid to a hefty dis-

count - 31 per cent by Wednesday night - to their

But yesterday's statement

said that Kerr-McGee, another

of the companies involved

with the site, had reached a

Fleming American said it

has been in preliminary settle-

ment discussions with the

KPA. Hopes of an agreed deal

helped the shares rise 17p to

settlement with the EPA.

net asset value.

300p yesterday.

**BANQUE PARIBAS** 

Undated subordinated

floating rate securities

ions of the securities

notice is hereby given that for the interest period from 15 March 1996 to 17 Jane 1996

interest rate of 5.625% per annum. Interest payable value 17 June 1996 per US\$1,000

security will amount to US\$14.69 and per US\$10,000

Agent: Morgan Guaranty Trust Company

security will amount to US\$146.88.

**JPMorgan** 

City of Stockholm

Floating rate notes 1999

Notice is hereby given that the notes will bear interest at

5.35156% per arrium from 15 March 1996 to 17 June 1996.

will amount to US\$13.97 per

US\$1,000 note, US\$139.74 per US\$10,000 note and US\$1,397.35

Agent: Morgan Guaranty Trust Company

**JPMorgan** 

nterest payable on 17 June 1996

US\$325.000.000

In accordance with the

US\$400,000,000

was the first phase of reconstructing the group, Mr Eric Nicoli, chief executive, said. Phase two, consolidation of its position in Europe and the east Asia, was under way, and

phase three, seeking acquisi-tions and partners, would unfold over the next few years, "You'd have had to be on another planet over the past year not to be aware of the criticisms and comments about

By Patrick Harverson

higher profits for 1995.

Enterprise Oil yesterday

further restored its reputation

among City institutions when

the oil explorer reported record

The announcement of an

increase in after-tax profits

from £71m to £101.6m (\$155.44)

on turnover of £762.9m

(£651.3m), lifted Enterprise

shares hy 33p to 420p. They were also helped by

what appeared to be a shift in

investor sentiment following

the company's first results

meeting with City analysts.

and managerial problems in several subsidiaries.

UB," Mr Colin Short, chairman, said. But despite the setbacks, "the board unequivo-

The results were dragged down by severe pressure from cost increases, competition particularly from PepsiCo in the UK and Dutch snack markets, and a variety of other strategic

"1995 was indeed a dreadful year." Mr Nicoli said. "But some of those factors will not impact on us in 1996. The prospects for profit recovery are

New products, higher spending on advertising and marketing, further cost savings, price

Higher production helps

explorer Lasmo.

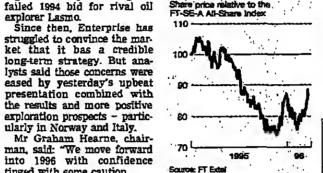
tribute to an improved perfor-

In the first two months of 1996, "we are... making satisfactory progress towards our objective," UB said. Proceeds from the sale of Keebler in the US had cut UB's net borrowing to £273m from £607m and its gearing to 44 per cent from 97

However the disposal had made UB dependent on the UK for 66 per cent of its sales and 77 per cent of its profits, a sbarp reversal after two

lift Enterprise to £102m

attempt to improve its stand-ing in the City following the



the meeting was seen as an prices may weaken as the year

# Mirror seeks to raise £9m from 2p cover price rise

ularly in Norway and Italy.

tinged with some caution.

Enterprise's decision to host the possibility that oil

Our caution stems from

By Raymond Snoddy

The price of the Daily Mirror will rise next week by 2p to 30p Monday to Friday, bringing in about £9m this year for Mirror Group, excluding extra promo-

This was a response to News International's decision to increase the price of The Sun by 2p to 27p on weekdays.

The increase in the cover tional gains. prices of the two leading mass market tabloids reflects extra newsprint costs that are still coming through, although Mirror Group believes that pulp prices have stabilised.

The group also announced yesterday pre-tax profits of £87.2m (£84.7m) for 1995, or £77.1m after £10.1m costs for LIVE TV but before excep-

Exceptional profits of £29.6m were mainly from the sale of the stake in Donohue, the Canadian pulp and paper com-

Newspaper Publishing, publisher of The Independent in which Mirror Group has a 43 per cent stake, cut its loss to £18.9m last year. This followed a £50.8m deficit previously.

### LEX COMMENT

# Mirror Group

The Mirror Group's fascina-tion with cross-promotion is Mirror Group understandable. Its core tabloid newspapers have e few good years ahead of them as the cover price war and increases in newsprint costs reverse themselves. But this is a mature business. Wouldn't it be exciting if it could mimic Mr Rupert Murdoch's News International and use the tabloids vast promotional potential to build a television empire?
The Mirror has already made
a promising start in tabloid
TV with its quasi-local Live

Share price ance fictation relatit to the FT-SE-A Ali-Share index 120 ---40 May 91 92

TV cable channel. Though Live TV is still losing money, wacky ideas like its "news bunny" and topless darts have grabbed headlines. Linking up with a network of local newspapers - which promote Live TV and provide it with local programmes - has also underlined the advantages of cross-promotion. Local TV is a market which Mr Murdoch's BSkyB has not monopolised, and which its satellite technology is not sulted to. Hence, Mirror's interest in launching further local channels, perhaps concentrating

But Mirror's ambitions extend beyond being merely a programme supplier. It would like to exploit its promotional capacity by throwing the full weight of its tabloids behind cable TV and/or ITV. What, though, is the best way of making money out of this? Buying entire TV networks to capture the upside would be prohibitively expensive. Taking minority stakes, like its 20 per cent share in Scottish Television, would be cheaper, but replicating that across the country would still be pricey. Forming cross-promotional ventures without shelling out capital would be the best approach, if it can be done.

# Coats looks east for production

Coats Viyella, the textiles and engineering group, has become the latest manufacturer to cite labour costs as a reason for shifting production from western Europe and North America

and eastern Europe.

The group, which yesterday reported underlying pre-tax profits down 6.4 per cent at £142.6m (\$218m) said it was launching a restructuring pro-gramme which would accelerate the move to offshore textile production and sourcing. It

will make a £50m provision. The group declined to say how many jobs would go or what proportion of production would move out of western

also will reorganise its European thread operations and invest in technology to improve productivity.

Mr Neville Bain, chief executive, expected the restructuring to deliver savings of £10m in 1996, £25m in 1997 and £35m per year thereafter. The shake-up follows a diffi-

cult year when raw material price rises, particularly in India unusual weather conditions and the weak housing market in the UK hit profits. After exceptionals in both years relating to disposals of

businesses and property, pretax profits rose from £105.1m to £162.5m, largely because a provision taken in 1994 was

### **COMMERCIAL PROPERTY**

Downstream Building

On the instructions of Shell International Limited

THIS LANDMARK

24,657 sq. m. (265,400 sq. ft.) **BUILDING IS FOR SALE** 

WITH VACANT POSSESSION

the Downstream Building's superb location between the City and West End will attract interest from occupiers and office. residential and hotel developers.

> Jones Lang **₩** Wootton 0171-493 6040

**HOUSE** 

87-90 Disaster recovery Office Building

7,850-220,000 sq.ft.

0171 224 4436

VICTORIA LONDON SW1 FRANCE Office Building For Sale 11651 SQ. FT.

Air Conditioning Car Parking 3 Bedroom House 0171 233 6880

### **Business Opportunity in Brazil**

Sugar & Alcohol Mill

Available for sale, with 20,000 ha, of land, of which 14,000 ha, are suitable for sugar cane, with existing 3.000 ha, of irrigated sugar cane plantation, Production capacity; 60,000 tons of sugar and 24,000 m3 of alcohol. Projected revenue: US \$65M over the next 5 years. Phone or fax: +31-475-53 9527.

ON BEHALF OF PLC CLIENT Sites Required in London, Home Counties and Southern England

For Car Storage 10 - 40 Acres Freehold or Long Leasehold Only Ref P.B.K.

Sovereign House, 212/224 Shaftesbury Avenue, London WC2H 8EU Telephone: 0171 379 6322: Festimile 0171 379 4152

WEST END OFFICE HQ OPPORTUNITY

NEWMAN STREET, W1

A self-contained modern building of approx. 30,000 sq. fr. previously occupied by IBM and now by London Transport will become available in Summer 1996 and will be refurbished to suit the specific

For further information contact the Sole Agents:

requirements of a new tenant

BRAHAM GOOD 39 Welbeck Street, London W1M 7HF Telephone: 0171 935 1653 Fax: 0171 487 5053.

OFFICE FOR LEASE "ATLANTA"

Entire 11th floor 8000 S.F. Designed as Executive suites, overlooking the mid & downtown of OLYMPIC CITY. Long or Olympic period letting for corporate clients

TEL USA: 1-404-888-0999

FAX USA: 1-404-888-0487

SOUTHAMPTON MARINE EXCHANGE Office investment let to Secretary of State for the Environment.

FR&I lease for an unbroken term until 28 Nov 2016 with rent reviews at five yearly intervals. Current rent £100,00 pax (£9.10 psf) plus VAT with review due on 29/11/96. Guide Price £1,300,000 stc, plus VAT Derham Knight Limited Tel: 01329 827575

We specialise in marketing commercial property in France, and act on behalf of major international banks, insurance companies investors and developers. Though our pro-active and strategic marketing methods, we have achieved significant results for our

If you are having difficulties it letting or selling your commercial property in France you should speak to us first.



72, roe du Faubourg, St Honoré 75005 Paris Tel: 111 40 07 86 07 - Fax: 111 40 07 86 08

 $\mathbf{Ryden}$ 

HVESTMENT SALE Ground lease portrolio Reversionary with excellent prowth prospects. Lot size £4 million Contact Gordon Hunler: 0131 225 6612 or

Bill Duquid: 01224 637300

0131 225 6612

A Prime Site for your Commercial **Property** Advertising

Advertise your property to approximately 1 million FT readers in 160 countries,

> For details: Courtney Anderson

on +44 (0)171 873 3252 Nadine Howarth

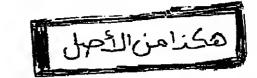
on +44 (0)171 873 3211 Fax: +44 (0)171 873 3098

Whilst care is taken to establish that our deetlers are bong fide, readers are strong

Zambia Copper Investments Limited The interim report of the above company for the

ne interm report of the above compeny for the half-year ended 31 December 1995 will be posted to shareholders on or ebout 22 March 1996. Copies are evailable Bardays Registrars, Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

15 March 1999



### **COMMODITIES AND AGRICULTURE**

MARKET REPORT

1ARCH 15 1996

THE LAND OF THE PARTY OF THE PA

2 min

15 S. S. Let . 18 18 28

50.0

TO THE THE PARTY OF

1-1-1-1-12

.s east

111 1111 111

人名巴巴克克

the state of the

Grand with high

5 ( 5 ° 555 ° 6512 °

13 275 6FI

Comme

Branch Brake.

1000

Parks Rose

tion

# Copper market sentiment dented as cash price falls

Slumping cash COPPER values on the London Metal Exchange knocked forward prices lower yesterday and gave bullish sentiment a severe dent.

The three months delivery price finished the after hours "kerb" trading session at \$2,536 a tonne, down \$30 from

Wednesday.
The cash/three months premium, or "hackwardation", narrowed at one point to around \$7 three month values late in the day, down sharply from \$22 on Wednesday. But it moved out again to to \$16.

"There was a lot of lending on everything from cash to threes to much further for-ward," said one LME trader. "The break back below [support at] \$2,550 makes this market look horrible again.".

Several traders linked weakness in cash copper values to cash-raising in the run np to the end of the Japanese financial year. If spreads slipped into contango - the opposite of backwardation, where nearby prices are at a discount to forwards, three month futures could fall sharply, they added. Ghart watchers said first Ghart watchers said first Europe were seeing some signs resistance was at \$2,550/55 a of a pick-np in orders, but the

Below \$2,500 the 1995 low of \$2,440 was being kept sharply in focus.

Physical traders said demand in Europe appeared to have recovered alightly from extreme weakness in February and March, but consumers were still bnying only on a hand-to-mouth basis.

ZINC prices suffered another bought of selling and profit-taking following the recent aurprise move higher. The three months price finished the day at \$1,091 a tonne, down "A break back below \$1,080

within its old ranges," said one Three months ALUMINIUM fell only \$3 to \$1,633, with steady buying noted through-ont the afternoon, Forward buying interest was also sup-

could see this market hack

porting the front end of the market, traders said. NICKEL fell \$100 to \$8,040 a tonne for three months delivery, pressured hy weakness in copper and slow physical offtake. Traders said steel mills in

impact would not be felt on the nickel markets for some time. Three months LEAD edged back \$6 to \$783, while nearby spreads remained firm. Stocks held by producers consumers and on the LME were still critically low, and sharply higher

> The precious metals dipped slightly after lower than expec-ted US inflation figures were announced, but volume remained thin, dealers said.

"There was a hit of selling

after the figure, but overall

prices could be seen by the end

of the year, physical traders

this has been a very, very quiet GOLD closed in London at \$396.10 a troy ounce, down 65 cents on the day. At the London Gommodity Exchange robusta COFFEE futures ended firm after a choppy session but were below the day's highs after short-covering ran into

overhead producer selling.

Traders said prices managed to claw back early losses and notch up some gains after New York coffee futures rallied in early trade to three-week highs on speculative huying. Gompiled from Reuters

# Debt weighs down Peru's sugar industry

Sally Bowen on a decline that has been blamed on misguided agrarian reforms

The long, tree-lined drive, the colonial style church and wooden balconied buildings set around a shady square recall the prosperons hevdays when Casa Grande was Peru's showpiece sugar hacienda. On closer inspection, however, all is revealed as grubby, poorlymaintained and down-at-heel. The discipline imposed by its German founders, the Gilde-meister family, has long since

According to received wisdom, Peru's sugar industry plunged into crisis following the so-called agrarian "reform" under the left-wing military government of General Juan Velasco Alvarado, when great haciendas were expropriated and handed over to the work-

The figures would seem to bear out that interpretation. Having reached well over 1m tonnes in the 1950s and 1960s. production started to decline after 1968. By 1980, national output was down to 535,000 tonnes; in 1993 it dropped

below 400,000 tonnes. "It's very easy to hlame it all on the workers," says Mr Jorge Vejarano, Casa Grande's general manager, who has 17 years private sector experience in A decree law published on Wednesday in Peru's official gazette gives sugar co-operatives 90 days to decide on their future. The government is offering them three options to settle long-standing debts with the tax anthorities and the state social security and pension

Co-operatives that pay up in cash will receive a 60 per cent reduction on their debts. Alternatively, with a cash payment of 20 per cent, the debt may be paid off over a six-year period with

the Brazilian sugar industry. "The fact is that Peru's sugar haciendas have always been exploited for economic and political ends, first by the powerful families which owned them, then by successive governments."

Mr Vejarano argues that the dehts Peru's 12 co-operatives have run up with the state in unpaid taxes and social secu-rity contributions - now totalling some \$200m - result from previous governments' policies. Sugar prices were officially pegged and taxes often collected in advance. As a result, the co-operatives suffered severe decapitalisation.

Productivity has plummeted. Gasa Grande produces less than 100 tonnes of cane per hectare; it has at present some 18,000 hectares under produc-

tion out of a total of 30,000. The

involves capitalisation of their debts via the issue of new shares. If co-operatives choose to become limited

companies in this manner, they will benefit from a 70 per cent reduction in their dehts with the state. Several groups of private investors are believed to be poised to huy into the decapitalised businesses.

24 months' grace.

The third option - probably the only one

available to the cash-strapped co-operatives -

diate investment requirements ductivity in both the mill and the cane fields. That investment, says Mr Vejarano, would push annual sales up from about \$45m to \$70m-plus.

uhstantial increases in productivity are clearly no pipe-dream. The irri-gated valleys of Peru's northern coastal desert are ideal for sugar cane. Farmers cut every eighteen months, with benchmark yields of 180 tonnes a hectare. Peruvian cane boasts an unusually high sucrose content of around 13.5 per cent, compared with 9 per cent in

And small farmers in the valleys of La Libertad are turning back to planting cane.
"It's more reliable and profit-

management estimates imme- able." says Mr Ricardo Gonzalez, who recently pulled out the asparagus beds that used to account for half his 40 hectares, replacing them with cane Peru doesn't have the infrastructure for modern agro-industry. Bnt we do have facilities for milling sugar and a ready domestic market."

On parts of his land, Mr Gonzalez is harvesting over 240 tonnes a hectare Like hundreds of other small producers. he takes his cane for milling to the sugar co-operatives. For the service. Cass Grande retains 38 per cent of the raw sugar produced.

The mini-boom among small private farmers is helping the co-operatives to keep their mills running. Almost 40 per cent of all the sugar processed at Casa Grande comes from independent growers.

Other efforts to increase efficiency are being frustrated by the co-operatives' dire financial position. Gasa Granda was recently unable to take up a Brazilian loan offer when the Peruvian government, not sur-prisingly, refused to guarantee its repayment. Only the Tuman co-operative, recog-nised as the most efficient of the twelve, has access to limited credit lines through a local

The remainder are in the survival business. Far greater than their debts to the state are pensions and social security payments due to retired worker-associates. New legislation, it seems certain, will oblige the co-operatives to transform themselves into limited companies, settle their debts and - it is assumed - sell out at least in part to new private sector owners.

Sugar co-operative managers seem resigned, if regretful "I'd like to find an alterna-tive to make the associative model work: the co-operatives at least recognise the dignity of the worker in an industry where conditions are often subhuman." says Mr Vejarano. "But if it's impossible, I'll be the first to tell the workers we have to change the model."

# Hudson Bay's Flin Flon zinc complex under renewed threat as operating losses mount up

By Kenneth Gooding, Mining Correspondent

The Hudson Bay Mining & Smelting operations at Flin Flon in Manitoba are once again under threat of closure after suffering operating losses totalling US\$35m in the past two years.

The HBMS metallurgical complex is the higgest employer in the region, with 2.500 people directly employed, and produces about 8 per cent of North America's zinc, as well as some copper.

ating arm of the Anglo American Gorporation of South

astonished if the review suggested immediate closure, particularly as Minorco believed tha prospects for zinc metal were good and the husi-

Precious Metals continued

■ GOLD COMEX (100 Troy oz.; \$/troy oz.)

Sett Day's

Mr Tony Lea, an executive director of Minorco, the Lux embourg-quoted offshore operness had made a small profit in Nevertheless, the mines supplying the smelter with raw material would run out of ore in 2004 at the present rate of

> a year on exploration of the surrounding area, he said, using the most up-to-date aero-"We need to identify in the next three years a large, longlife, low grade zinc-copper deposit to ensure Hudson Bay's future," he added.

> > GRAINS AND OIL SEEDS

121.00 +0.05 121.00 120.75 109.50 - - - -111.10 +0.15 111.15 111.00

M WHEAT CBT (5,000bu mirr; cents/60to bushel)

MAIZE CET (5,000 bu min; cents/56tb bushet)

SOYABEANS CBT (5.000bu min; cents/60lb bushet)

720.50 -0.75 726.75 720.00 3,263 1,966 729.50 -0.75 737.00 726.50 22,292 70,456

737.00 -0.75 744.50 738.00 5.252 707.05 737.25 -0.75 744.50 736.50 665 6.48 729.50 +1.25 736.59 731.00 228 3.563 728.00 +2.75 732.50 726.00 3.678 54.931 36,903 193.279

- 230.0 228.0 2,988 2,086

- 230.0 281.0 298.8 2.085 -1.2 234.4 231.0 6,830 33.157 -1.3 237.8 234.3 2,241 24,404 -0.6 237.5 236.0 280 5.079 -0.5 236.5 236.1 27 3,449 -0.3 233.0 232.0 24 2,957 13,168 86,237

SOYABEAN MEAL CBT (100 tons; \$/ton)

172.5 +3.0 171.0 171.0 178.5 +3.5 - - -225.0 - - -105.0 - - -

FREIGHT (BIFFEX) LCE (\$10/index point)

FUTURES DATA All futures data supplied by CMS.

Wool
The mein Australien munket indicator closed just 2 cents lower than a week ago, at 570 cents a kg. New Zeatand's overall indicator was 8 cents down, at 508 cents. These small changes underline a widespread view that the main decline in the market this season may be

main decline in the market this season may be over, but that there is not much chance of a significant price recovery. Stability at low levels is related to some degree of textile recession and overstocking in the developed world, and title prospect of a lead from China. the leading world buyer of internationally traded wool. In the main consuming countries, including the UK, braders are finding that deliveries of old orders are going out well, but over capacity in processing means that any new orders are very competitively priced.

■ POTATOES LCE (£/tonne)

397.75 +2.75 402.90 396.00 3.605 8.546 390.25 +1.00 394.75 389.25 37,377 200,897 378.75 - 394.00 379.00 12,756 124,831 330.75 +1.00 332.00 330.00 2,374 38,800 317.50 +1.25 319.00 316.00 9,204 89,231

Sett Boy's High Low Vol 116.75 — 116.50 116.25 26 124 112.95 — 119.00 178.40 78 3,383

WHEAT LCE (E per tenne)

BARLEY LCE (£ per tonne)

105.65 +0.05 106.00 +0.30 109.60 -

While high-grade deposits had been found in the past, the results of the latest exploration results had been "disappointing".

exploration spending at a high level for another three years but, if by the end of that time it had not found a big deposit, HBMS would become a "twilight operation" and close in

Minorco subsidiary. Minorco

18 696 - 225 11 1,486 - 392 134 6,392

135 7.548

tter ttey Jul Sep Dec Ider Total

65,297 471,863

has about \$250m invested in HBMS fixed assets, including \$180m spent since then on a modernisation programme primarily designed to improve the environmental performance. Canada's federal government provided a C\$25m loan towards this scheme and the provincial

government one of C\$55m.

Mr Lea said HBMS this year is scheduled to produce 85,000 tonnes of zinc and 40,000 tonnes of copper from its own mines plus 20,000 tonnes of

### BP may sell N Sea interests

By David Lascelles

British Petroleum may sell its interests in four North Sea fields, Beatrice, Buchan, Clyde and Thistle, The four belong to a group of

mature fields whose lives BP has been working to extend. Although their performance has been enhanced, BP says they are disadvantaged when competing with other BP fields in the North Sea for assets and management time.

It says fields' lives could extend well into the next century. They produce 59,000 barrels a day, of which BP's share is about half.

### Porgera to miss gold target

By Nikki Tait in Sydney

Partners in the large Porgera gold mine in Papua New Guinea yesterday confirmed that output in 1996 is unlikely to top 940,000 troy ounces of gold. They had previously been hoping for 1.1m ounces, but warned last month that technical mining problems would probably lead to this figure being reduced by 15 per cent.

The partners include Highlands Gold, part of Australia's MIM group; the newly-created Goldfields group; Placer Pacific and the Papua New Guinea government.

JOTTER PAD

mining offshoot of Britain's Hanson group, and Rosemount Estates, the Australian winery, over a new A\$370m mine in New South Wales's Hunter Valley region, took a new twist yesterday, with the state government saying it would appeal against a land and environment court decision that blocked the mine's development earlier this month.

The state government said that the appeal confirmed the government's commitment to providing certainty for major projects in the stata. Rosemount, which has vineyards close to the mine site, is con-• The long-running fight cerned about the environmental impact.

### COMMODITIES PRICES

BASE METALS LONDON METAL EXCHANGE ALUMENIUM, 99.7 PURITY (\$ per tonne) 1638-39 1644-45 1644/1633 Close Previous High/low AM Official Open int. Total deliv turnovar 45.010 M ALUMINIUM ALLOY & per tonn High/low 1355-60 AM Official Open int. Total daily tumover

■ LEAD (5 per tonne) 787-88 791-91.5 789/783 787-89 783-4 811.5-19.5 808 611-12 High/low AM Official Kerb close Open int. Total delly turnover 95,861 40,497 ■ NICKEL (5 per tonne) 7980-90 8058-60 8080-90 8155-60 Close Previous High/low AM Official 8120-25 8040-50 Kerb close Open int. Total daily turnover 41,252 8,218 Title (5 per tonne) B065-105

Close
Previous
High/low
AM Official
Korb close
Open Int.
Total daily turnover 6065-90 8110-15 18,397 4,171 ZINC, special high grade (\$ per Close
Stravious
Fightiow
AM Official
Kerb close
Open Int.
Total daily surrower 1093-94 1117-18 1072-73 1097.5-8.5 71,768 16,399 M COPPER, grade A & per torme 2559.5-5.5 2571-2 2578-79 179,620

Spot: 1.5235 3 miles: 1.5211 0 miles: 1.5188 9 miles: 1.5188 ■ HIGH GRADE COPPER (COMEX) • Vol 856 647 118.35 -1.75 119.55 117.80 117.70 -1.95 118.70 117.80 117.70 -1.95 118.70 117.80 647 2,170 117.20 -1.85 118.80 118.70 4,575 20,455 115.70 -1.15 115.60 115.60 15 80 114.70 -0.80 115.70 114.25 287 4,944 112.75 -0.45 113.20 112.50 114 2,837 15 860 287 4,944 114 2,837 6,610 43,389

PRECIOUS METALS I LONDON BULLION MARKET (Prices supplied by N M Rothschild)

LIME AM Official E/S rate: 1.5245

LME Closing £/\$ rate: 1,5230

\$ price 395.90-396.30 396.40-396.80 259.446 489.419 396.50-396.90 395.20-395.60 Previous close 396.60-396.90 Loco Ldn Mean Gold Lending Rates (Vs USS)

2 months 3 months US cts equiv. Stiver Fix 379.95 3 months \$75.85 384.90 \$ price 395-398 **Gold Coins** 408.65-409.20 93-96

Africa, which owns HBMS, said yesterday a major review was under way "to see how we might reduce costs and if we should persist with Hudson

Minorco was spending \$10m He said that he would he magnetic survey techniques.

-12 4911 3992 2298 49,610 -12 4932 4918 271 13,253 -12 - 206 4,987 -12 4983 4966 491 14,996

-1.2 408.3 406.6 PLATINUM NYMEX (50 Troy oz.; \$/troy oz.)

139.85 -2.45 144.00 142.00 18 52 140.35 -2.45 142.00 139.50 351 5,170 141.35 -2.45 - 210 273 142.35 -2.45 - 11 83

555.7 -- 3.8 559.0 - 554.0 187 444

-3.5 563.5 557.0 20,033 53,759 -4.2 567.0 567.0 1,632 13,150 -4.9 571.0 565.0 178 10,938 -5.4 578.0 573.0 168 7,544

PALLADIUM NYMEX (100 Troy oz.; \$/troy oz.)

■ Salver COMEX (5,000 Troy oz.; Cents/troy oz.)

■ CRUDE OIL NYMEX (42,000 US galls. \$/berrel)

HEATING OIL NYMEX (42,000 US galls.; c/US galls.)

GAS OIL PE (\$/forme)

0 -0.29 54.85 53.50 18.491 24,145 1 -0.46 51.70 50.80 7,332 17,470 1 -0.15 50.10 40.80 4.365 11,863 1 -0.10 49.90 48.10 1227 7,748 1 -0.20 48.85 42.85 906 7,181 1 -0.20 50.50 50.50 282 2,798 1 -0.20 50.50 50.50 282 1798

 Sett price
 Day's change
 High High
 Low
 Vol
 Int

 166.75
 ~2.25
 188.00
 765.50
 5,430
 27.163

 160.00
 ~1.50
 180.00
 158.50
 2.777
 11,101

 155.75
 ~1.25
 156.25
 153.50
 836
 8,984

 154.00
 ~1.25
 154.25
 153.50
 64
 4,908

 154.00
 ~1.25
 154.25
 155.50
 36
 4,908

1,960 -0,002 1,990 1,970 1,281 13,300 1,955 +0,005 1,960 1,946 1,521 12,842

61.80 40.18 82.20 50.80 19.470 29.594 51.25 40.07 61.50 80.40 15.533 23.445 59.80 -0.04 60.15 59.35 7.270 89.972 56.15 -0.05 58.45 57.80 2.553 7.784

1 -0.06 58.45 57.80 2,563 7,074 +0.04 56.70 56.30 1,510 3,991 +0.09 54.85 64.65 3

154.00 -8.75 154.25 153.50 154.25 -0.76 154.50 154.50

2.270 +0.030 2.290 2.160 +0.013 2.170

UNLEADED GASOLINE

MATURAL GAS WMEX (10,000 mmBill; S/mmBill)

20.80 +0.22 20.80 20.30 55,168 56,702 19.53 +0.01 19.70 19.40 40,550 57,499 18.59 -0.06 18.98 18.76 20.498 50,827 18.44 -0.07 18.55 18.35 20,492 43,257 18.11 -0.09 18.21 18.07 7,490 24,381 17.91 -0.06 17.36 17.88 6,893 19.076

17.86 10,333 77,539 17.23 3,442 29,467

2,442 29,467 851 36,703 377 10,882 170 11,884

2,777 11,101 836 8,984 84 4,908 136 4,009 40 1,647

.2.200 20.862 24,459

2.170. 2.110 7,783 23,276 2.050 2.020 2,236 15,953

1.930 1.815 735 9,479 38,836 148,850

**ENERGY** 

Minorco would continue

The group took over HBMS in August 1992 from Inspiration Resources, another

copper from bought in raw ■ COCOA LCE (©/toone) 917 938 955 973 906 2,088 16,405 927 692 38,975 942 970 18,479 963 230 40,121

+4 1205 1196 38 +9 1225 1205 6.732 : +6 1246 1231 2,074 : +8 1273 1256 456 : +12 1309 1290 261 : +6 1325 1325 10

+20 2050 2005 251 +8 1905 1855 2,142 +3 1635 1795 851 +5 1805 1775 37 -5 1755 1735 158

COFFEE 'C' CSCE (37,500ths; conts/lbs)

121.70 +2.65 122.50 120.00

114.50 +2.75 115.00 114.50

COFFEE (ICO) (US cents/pound)

■ WHITE SUGAR LCE (\$/tonne)

117.75 +3.05 118.75 118.55 6.754 116.45 +3.00 117.25 115.25 954 115.50 +2.80 116.00 114.50 189 114.00 +2.55 115.75 114.00 164

385.0 +2.2 385.0 382.2 574 13.078 383.5 +1.7 383.5 380.5 401 7.140 329.1 +1.3 329.5 338.0 150 4,840 320.1 +1.9 320.1 318.2 30 257 373.2 +1.6 373.5 313.3 75 745 308.0 -0.2 311.5 311.0 11 558

12.23 +0.07 12.32 12.16 8.491 65.988 10.98 -0.02 11.94 10.95 4.846 33.911 10.62 - 10.65 10.59 551 27.905 10.34 +0.02 18.36 10.30 646 14.957 10.25 +0.02 10.27 10.22 222 4.683 10.09 +0.02 10.09 10.08 100 1.507 14.255 154,784

85.20 +1.98 85.55 83.75 3,755 21,407 85.88 +1.63 86.00 84.60 1,365 11.574

85.88 +1.63 86.00 84.60 1,365 11,574 82.30 +1.07 82.30 81.30 172 2,524 80.37 +0.92 80.39 79.75 1,205 17,411 80.10 -0.02 81.05 80.50 175 1,840

135.40 +2.15 136.00 133.00 1,005 16,712

783.40 +2.15 138.00 134.05 1,045 187.05 187.15 134.05 +1.90 134.45 132.25 389 3,818 131.76 +1.90 131.75 130.50 29 2,125 128.45 +0.70 128.45 127.90 58 010 126.95 +1.75 128.95 124.50 70 2,610 128.75 +1.75 128.90 128.90 20 147.75

■ ORANGE JUICE NYCE (15,000lbs; cents/lbs)

Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CST,

NYCE, CME and CSCE are one day in arrears.

Mar 14 Mar 13 month ago year ago 2134.2 2135.6 2153.0 2326.5

Mar 12 mostin ago 246.89 250.58

M REVTERS (Base: 18/9/31=100)

M CRB Futures (Base; 1967=100)

M GSCI Spot (Base: 1970=100)

Mar 13 247.32

■ SUGAR '11' CSCE (112,000/bs; cents/lbs)

1196 38 94
1205 6.732 37,803
1231 2.074 21,556
1256 456 12,071
1290 261 13,565
1325 10 7,628
9,608 88,656

37 1,689 5 158 655 3,923 25,936

1205

### MEAT AND LIVESTOCK III LIVE CATTLE CME (40,000%)s; cents/lbs/ 64.400 +0.725 64 525 63.950 8.476 28.977 64.050 -0.250 64.450 63.850 9.056 27,631 63.725 -0.200 63.850 63.525 1,150 10.416 62.525 -0.175 62.700 62.450 747 8,096 62.425 +0.025 62.600 62.400 170 3,003 48.600 -0.600 49.300 48.300 3.437 11.582 52.875 -1 000 53.875 52.825 3.715 13.946 50.350 -0.525 50.875 50.150 572 3.394 48.350 -0.400 48.750 48.250 541 42.55 45.050 -0.125 45.350 44.950 174 2.894 45.125 -0.225 46.600 48.150 ■ PORK BELLIES CME (40,000ibs; cents/lbs) 67.425 -2.000 69.200 67.425 2.513 6.695 64.100 -2.000 65.875 64.100 596 2.459

3,511 10,587 LONDON TRADED OPTIONS

COFFEE LCE

LONDON SPOT MARKETS ■ CRUDE OIL FOB (per barrel)

Brent Blend (Apr) W.T.L. \$20.69-0.73w ■ QIL PRODUCTS rompt delivery CIF (tonne) Heavy Fuel Oil Naphtha Jet fuel \$106-108 \$209-211 \$185-187 (D1111 359 8792 ■ OTHER Gold (per troy oziệ Silver (per troy oziệ Platinum (per troy oz.) Patladium (per troy oz.)

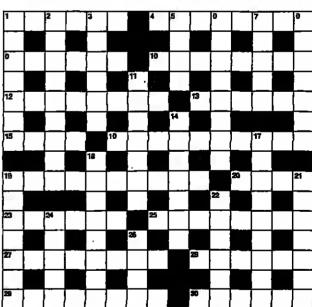
Tin (Kuala Lumpur) Tin (New York) 15.31m 286.50c Cattle (five weight)† +2 63\* Lon. day sugar (raw) Lon. day sugar (wto) \$325.S Barley (Eng. feed) Maize (US No3 Yellow 146.5z Wheat (US Dark North) Rubber (Apr)♥ Rubber (May) (F Rubber (KL RSS No1) 393.007 -2.5B Coconut OI (Phil)§ \$727.5v +17,5 Paim Oil (Melay.)§ Copra (Phil)§ Soyabeans (US) Cotton Outlook'A' index 462.0

Lead (US prod.)

© per tonne unico otherwise stated, p pence/leg, a cents/f r naggifulg, m Mataystan cents/fig. e Apr. v Aprillaty Landon Physical, 5 CF Potterdam, 8 Bullion menter clos è Sheap (Line weight prisos). \* Change on week, †Prices a

### **CROSSWORD**

No.9,019 Set by ADAMANT



ACROSS

1 Extra money for coming back into the mine (6)
4 Given a detour at the centre,

but find the main way (8)
9 Forcefulness leads green
movement to sticky end (6)
10 Instrument for putting iodine and nitrogen into drink (8)
12 Dine out on story told with all

15 Extremist views in Labour leaders are wrong (4) cricket accommodate oew lethal projectile? (10) 19 Notes on Tosca maybe includ-ing four for the workers (10) 20 The advantage lay in their

high-powered getaway car (4) 23 Passionate over rubbish being 25 The Central Line will put people off about an hour after midnight (8) 27 Gives post to a junior MP -

one not disposed to the centre 28 Epic improvisation by English choir (6) 29 Put in peril by exploding gre-nade, packed with nitrogen

30 Not as much ease, it's said, for a tenant (6) DOWN

1 Exact recipes can be dodgy (7) 2 Go through the green? (9) 3 Bars arranged to sing (6)

5 Drink about ten - it can make things go round! (4) tion of books causing trouble

7 In any case there's no upset (5) S Delight, then confuse the artist on the left (7)
11 Without one, it can't become

its particulars (2,6)

18 In olden times you had the best performer outside, one for distance race (6)

18 In olden times you had the best performer outside, one for distance race (6)

19 In olden times (2,6)

10 In olden times (7)

11 At home, their work was to succeed (7)

17 in part, tries out (9) 18 Wise men, the agents got new expert on tricks (8)

16 Can delivery disallowed in 18 Indignation is not in fashion 21 It's a pain, having to listen to

each variation (7)
22 Admit to having fathered French unit in current use (6) 24 Quick foray to secure central

parking place (5) 26 Square, yet somehow spot on the face (4) Solution 9,018



### INTERNATIONAL CAPITAL MARKETS

## US Treasuries post gains on bullish economic data

By Samer Iskandar in London and Lisa Bransten in New York

European bonds traded calmly yesterday morning, ignoring the Bundesbank's decision to keep its discount and Lombard rates unchanged at 3 per cent and 5 per cent respectively.

In the afternoon, yields fell in all the main markets, after the release of reletively encouraging data from the US. European markets are expected to remain cheerful in coming weeks, with a rate cut widely anticipated in Germany and, possibly, another cut in

Economists et HSBC Markets believe the three rate cuts since December were "an inadequate response to the alarming weakening in the UK economy", and expect interest rates to reach 5 per cent before the year end, e full percentage point below their current level.

■ US Treasury prices posted modest gains in early trading as deta showing that inflationary pressures remain in check was offset by figures indicating

declining unemployment. Near midday, the benchmark 30-year Treasury was ½ higher at 91% to yield 6.658. At the short end the two-year note was 🚠 stronger at 98% to yield

Fears thet strong jobs growth would bring about e reemergence of inflationary pressures were eased by the 0.2 per cent decrease in February's producer price index. Excluding the voletile food and energy components the PPI was up 0.1 per cent, eccording to the Commerce department, Both figures were weaker than

most economists had forecast. But bonds failed to rally as stronger-than-expected weekly employment figures reignited jitters about the strength of the economy brought on by last week's surprisingly strong deta on non-farm job growth.

ployment benefits fell by 10,000 last week bringing the fourweek moving average to 364,000, the Labor department

Economists from Donaldson. Lufkin & Jenrette said that while yesterday's figures "jeopardise the perception of a slug-gisb lebour market . . the claims statistics do not indicate the same robust strength that was portrayed in the recent payroll employment

report".
The dollar provided some support as it posted modest gains against the Japanese yen and the D-Mark. In early trad-

### GOVERNMENT BONDS

ing, it was changing hands for Y105.47 and DM1.4730 compared with Y105.15 and DM1.4708 late on Wednesday.

■ German bunds shrugged off the Bundesbank's decision to leave its key interest rates unchanged after yesterday's meeting of its monetary policy Council. But later in the day. when a stronger US Treasury market pulled all European bonds up, bunds benefited most. Liffe's June future on 10year bunds closed at 95.64, up 38. Expectations are rising that there will be a rate cut at the next Bundesbank meeting,

on March 28. This view is reinforced by bullish fundementals. With increasing signs of "serious disinflation and the spending cap (recently announced by the German finance minister), a rate cut seems to be the only policy instrument left" to stimulate the economy, said Mr David Brown, chief international aconomist at Bear Stearns. He expects the rate of underlying inflation to be well below the German central bank's long-term target of

awaiting the release of money supply data, due just before the next fortnightly meeting of the Bundesbank's Council. Mr Brown forecasts that the M3 monetary aggregate will have grown by 6.9 per cent in February, just inside the 4 to 7 per cent range targeted by tha

UK gilts closed higher, in line with other European bond markets. Liffe's June gilt future settled at 1052, up 3. However, the yield curve remains very steep, according to market observers.

Fixed income analysts at Merrill Lynch point to the spread between 10- and 20-year maturities, which is close to 20 basis points, and compare it with the similar spread on bunds, which stands at around

70 basis points. Their conclusion is that fundamentals indicate that the 20-year gilt should have a greater yield premium". Therefore, they "expect this spread to widen from its current lavel". However, Mr Steven Andrew at Merrill Lynch does not see this spread matching its European counterparts in the near future.

■ French OATs underperformed other European bonds, as traders were mede nervou by the apparent fragility of the French franc against other currencies. Matif's March notional future closed at 120.90, up 0.08, However, the June maturity, which is about to become the benchmark contract, settled at 120.52, down 0.02. In the cash market, the 10-year spread over bunds widened by 4 basis points to 21.

Spanish bonds also benefited from yesterday's bullish mood, as traders remained confident that inflation is under control. The March 10-year bonos future settled at 93.96,

## Italy's first credit rating Single issue breaks Europe's torpor while the company is likely agency is launched

Italy's first credit rating agency was launched yester-day, with the aim of improving eccess to capital markets for the country's most innovative and fast-growing compa

Italrating will concentrate on assessing the creditworthi-ness of small- and mediumsized Italian companies, "the most dynamic in the Italian economy" according to Mr Marco Cecchi de Rossi, the agency's chief executive

He estimates that e reliable domestic rating agency could help companies with between 10 and 250 employees convert some L35,000bn of short-term debt into longer-term debt or other financial instruments.

The new agency's largest shareholder will be Mediocredito Centrale, the treasury-controlled medium-term lending bank, with 36 per cent. Two business research groups
- Databank and Nomisma, the Bologna-based consultancy headed by would-be Italian prime minister Mr Romano Prodi - will have 25 per cent each, and 10 per cent will belong to Unioncamere, which represents Italy's chambers of

Although many of Italy's medium-sized companies hava a strong international outlook. their ability to raise funds on capital markets has been hampered by a lack of independent valuation of credit risk.

Companies seeking capital will be able to ask Italrating for a rating, and the agency will also respond to inquiries from potential investors who require more information on medium-sized enterprises. The agency said it would use

the same scale of credit rating - from AAA in D - used by

most international credit rat-

the UK and continantal

Europe. "By the end of the road shows we will have met some 450 institutions, about half the total number that invest in international equities," said Mr Victor Barallat, a senior Argentaria executive who is manag-

ing the disposal.

The final price for the disposal will be announced on March 25 but, under the terms of the offer document, it cannot be more than the final price fixed on the basis of the weighted average of Argentaria's trading price during this week on the Medrid stock

exchange.
The share price closed yesterday at Pta5,210, and todey's maximum price is therefore likely to be within a range marked by Tuesday's low of Pta5,200 and hy a Pta5,300 high that was posted on Monday.

121,87 145,40 158,15 182,86 140,67

+0.22

1.58 5 yrs 1.56 15 yrs 2.52 20 yrs 0.00 kred.† 1.72

attracted good buying from institutions - banks and investment funds - in Germany, Switzerland and France. After Portugal's DM1.5bn of five-year floating rate notes, launched earlier this week at a re-offer spread of Libor less 1 basis point, investors were keen on floating-rate paper that offered a double-digit spread over Libor, he said.

which jointly led the issue with DG Bank, the deal

Elsewhere, the Indian Rail

and yield 11.6 basis points over Libor at the re-offer price.

According to Merrill Lynch, floating-rate notes expected to be priced today at a spread of 100 to 120 basis points over Libor. It is the first international funding exercise by the financing arm of state-owned Indian Railways. ANZ Grindlays is acting as lead manager. The proceeds will be used to

import rolling stock for the country's railways system, which carries 12m passengers and 1.1m tonnes of freight daily, Mr N. P. Srivastav, managing director of IRFC, said at a briefing yesterday.

NEW INTERNATIONAL BOND ISSUES

Apr 2001 undiscl

to return to the international bond market in the coming years, he said it was not planning any form of equity global depositary receipts - as it is to remain fully govern-

ment-owned ● Moody's Investors Service has placed the long-term debt ratings of GPA, the aircraft leasing group, on review for possible upgrades following the company's successful securitisation refinancing earlier this week, with some \$1.5bn in long-term debt affected.

DG Bank/ Merrill Lynch Morgan Stanley

### offering of four-year floating-rate notes callable after two Final terms, non-catable unless stated. Yield spread (over relevant government bond) at learnth supplied by lead manager Routing-rate note. #Semi-annual coupon. R: fixed re-offer pri os; fees shown at re-offer level. a) 3-mth Libor +10bp. b) Fungible Dro125m. Plus 97 days accrued. Coupon reses to 7% from year 4, if a call at par after 3yrs is not exercised. c) Subscription by the content of th years. The notes pay a coupon of 10 basis points over Libor Argentaria upbeat on demand for offering

### By Tom Burna in Madrid

Argentaria, Spain's partially privatised banking group, sets the maximum price today for the disposal of 25 per cent of its government-held equity. It is confident that a compre-

After Wednesday's flurry of

new issues, the eurobond mar-ket ground to a halt yesterday,

with only one offering surfacing in the torpid market.

over the direction of underly-

ing government bond markets

investors are largely staying

sidelined, dealers said. What

issuance there has been this

week has either been short-

dated paper targeted at retail

investors or floating-rate notes

aimed largely at financial insti-

In the latter category, Caisse Centrale Desjardins, the cen-

tral bank of Canada's co-opera-

tive banks, issued a DM250m

Amid continued nervous

INTERNATIONAL

BONDS

nensive road show programme to present the global offer together with the comparatively cheap price of its shares will fuel demand from international institutions. Analysts believe the offering,

which would realise some Pta160bn at Argentaria's current market value, could be between four and five times oversubscribed in its international tranche.

The banking group, advised by US investment bank Morgan Stanley, its global co-ordinator, moves its presentations to the US and Asia next week after meeting this week with institutions in

Price Indices

Up to S years (23) 5-1S years (20) Over 16 years (9) Irredeemables (5)

UK Gifts

FT-ACTUARIES FIXED INTEREST INDICES

Argentaria-Madrid SE Index -

100.25

95 Nov 1995 Source: FT Extel

Such prices reflect the collepse of the domestic stock exchange following the inconclusive result of Spain's general elections on March 3. On March 1, the last trading session before the poll. Argentaria's shares closed at Pta5,540 and their value, in line with

8.39 6.32 8.31 8.39

Mar 14 Mar 13 Yr. ago

that of the market, fell sharply when the centre-right Popular Party (PP) failed to gain a governing majority that had been widely anticipated by

Analysts beliave Argentaria's current market value represents a discount, in terms of price earnings ratio and of trading price to book value, of some 25 per cent compared with the market value of rival big domestic banks, Banco Bilbao Vizcaya and Banco

Santander. Had the PP won a commanding majority, Argentarie's share price on Madrid's Bolsa would have advanced by some 5 per cent and would currently stand et about Pta5,600.

Argentaria is offering 66 per cent of the disposal to domestic institutional and retail investors. The home front offer is alreedy five times oversub-

7.63 8.40 6.45

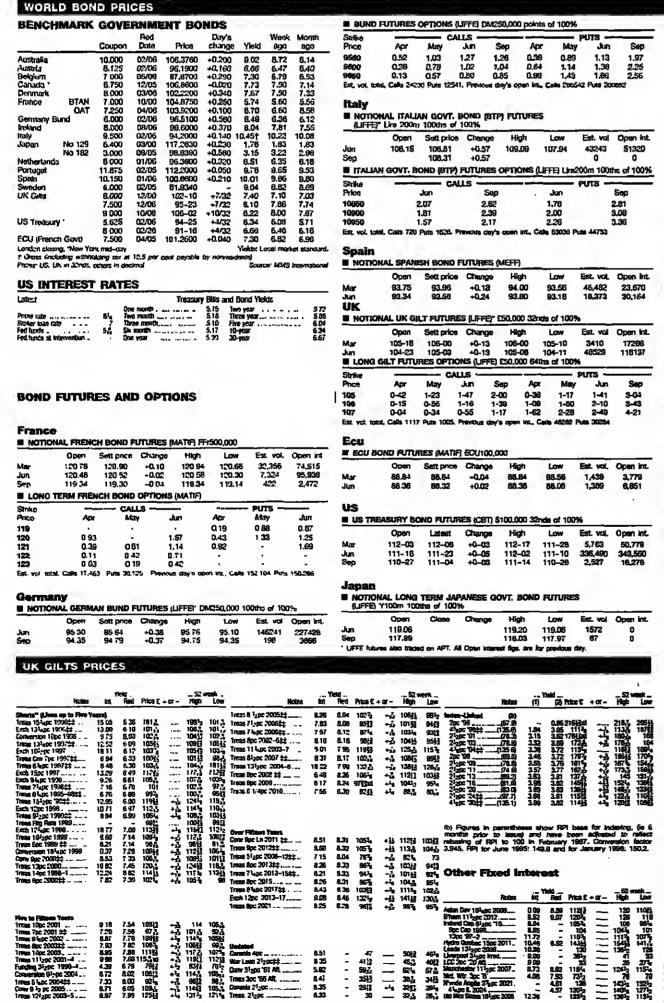
Mar 14 Mar 13 Yr. ano

7.68 8.43 8.47

Mar 14 Mer 13 Yr, ago Mar 14 Mer 13 Yr, ago Mar 14 Mar 19 Yr. ago

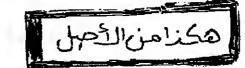
7.57 8.32 6.38

8.43 6.43



Up to 5 years (1) Over 5 years (11) All stocks (12)		196.2 183.6 183.7	2	+0.00 +0.20 +0.19	0	196,14 183,47 183,83	1.07	0.0		p to 5		3.7		3.06 3.81	3.59 3.85		1.82 1. 3.60 3.		2.30 3.67		
rerage gross redemption										94%; H	igh: 11	% and c	over, †	Flest ye	ekt. yad Yes	r to dese.					
T FIXED INTI	ERE	ST	INE	DICE	s					G	al T	EDG	ED.	AC	TIVITY	INDICE	S				
						1 Mag	8 Yrego	High*	Low*	_					Mar 13	Mar 12	Mar 11	Ma	r 8	Ма	7
				1.97			64 92.01					ed be			107.4	214.9	129.3		0.6		1.9
ixed interest 119 or 1995/98. Government 1 0/28 and Fixed Interest 1	Securit	des his	th etno	o compl	letion:	127.40	71 110.23 1971/35), low 49					verage Ince com			143.4 17 (21/1/94)	149.2 , low 50.53 (2	132.4 17.775) . Basels		7.8 vernment	108 Secu	
ET/ISMA INTE	RN/	ATIO	DNA	L BO	OND	SEF	VICE														
sted are the latest interna	(Oçmai i İssauc			offer			secondary r	nerkot. Lai		es et 7: ued	:10 pm Bid			Yleki			Isoued	Bld	Offer	Çhg.	Yiel
S. DOLLAR STRAIGHTS		000	98%	98	+4	£ 70	Sweden 897	n 71- 07		2500	106Å	106 <sup>3</sup> g	44	3.97			1000 £	981 <sub>8</sub>	98%	438	8.36
bbey Nati Traesury 6½ 00 . BN Anno Bank 7½ 08	= ;;	500 .	1027	1023	7,	6.72 7.05	United Kingdo Volkswagen in	n /48 3/ . d Fan 7 03		1000	105 1014	105 <sup>1</sup> 8 1017	+4	3.87 8.06	British Lac	nd 6% 23 £	100 150	705 <sup>1</sup> 8 88 <sup>2</sup> a	105 <sup>3</sup> 8 86 <sup>3</sup> 4	4	6.56
inican Dev 8k 7 ½ 23 Iberta Province 75g 98		500	961 <sub>2</sub>	99	44	7.50	World Bank 0 World Bank 5	15	—	2000	284	293		6.51	Decuments :	5½ 98 £	600	561g	293		7.13
ean Dev Bank 6 <sup>1</sup> 4 05	1	750 T	103% 87	103-k 97-k	418	6.08	World Bank 5	4 03		310)	974	97%	418	6.25	CHAND W	ELCONE BL	1500 05 £ 500	99 <sup>1</sup> 2	98 <sup>1</sup> 4	414	8.15 6.74
ustria 8½ 00		400 1	10712	1074	alle a	625	SWISS FRAN	C STRAIG	HTS						Hanson 10	D3 97 €	500	1043	105	ولب	7.07
aden-Wuett L-Fin 8½ 00	15	500 1	061	1083	,Ig	6.28	Asian Dev Ber				34%	3434	7	5.A7	HSBC Hol	dince 11.69 00	£ 153	1143	114%	44	8.64
lank Ned Gemeenten 7 99 Jayer Versinabik 8 <sup>1</sup> g 00			1025 <sub>1</sub> 1053 <sub>1</sub>	102% 1064	478	6.11 6.36	Austria 41 <sub>2</sub> 00 Council Europ	- 47		-	7	105 104	,le	3.15 2.66	hary 1012	14 £	400 200	103%	109 <sup>1</sup> 4	***	9.45 7.55
elgium 5½ 03 ritish Columbia 7¾ 02	1	500	93	B314		6.69	Derertak 44	9		1000	104	1044		3.04	Land Sect	92 07 £		1024	1025	44	9.18
ritish Columbia 7%, 02	5	500 1 500	14	108 14%	4	6.59 7.97	Dentratic 4 <sup>1</sup> 4, 5 <sup>1</sup> 88 3 <sup>1</sup> 4, 89 EB 6 <sup>1</sup> 4, 04 Finland 7 <sup>1</sup> 4, 98 lostend 7 <sup>2</sup> 5, 00 later Armer Des Ontario 6 <sup>1</sup> 4, 03 Outside 6 <sup>1</sup> 4, 03 SMES 7 04			1000	102%	100	41ª	2.69 4.86	Ontario 11	7 01 E	100	1117	1122	4	8.09
nitish Gas 0 21	15	500	9712	974	4	6.85	Finland 74 99			300	1124	113 <sup>1</sup> 2 112 <sup>1</sup> 2	J,	3.56	Savaro Tr	ort 111/2 99 F	250 150	101-4 1705a	100 110%	+½	8.53 7.73
anada 6 <sup>1</sup> 2 97 heung Kong Fin 6 <sup>1</sup> 2 98	2	1000	00%	101	-	5.76	iceland 7% 00			100	114/2	115		3.95	TOKYO Elec	: Power 11 01	£ 160	112	1123	4	8.08
heung Kong Fin 5½ 96 hine 6½ 04	1	900	96 <sup>1</sup> 2	96³4 94³4	41ª	7.20 7.84	Ontain 64 03	44,03 _		400	103-k	1035 <sub>6</sub> 110	44	4.21 4.56	TCNZ Fin	8 <sup>1</sup> 4 00 NZS	75 250	10314	1044		8.54
recit Former 9 <sup>1</sup> 2 98		500 1	08*	1087	₽ <sup>1</sup> g	620	Quebec Hydro	5 08		103	100	100%	32	5.00	Credit Loc	# 6 01 FFr	7000	96%	105 <sup>3</sup> 8 99 <sup>1</sup> 8	4	8.80 6.23
enmark 5% 88	15	900	98%	100		5.89					1104	11612	_	4.65	Elec de Fr	ance 8 2 Pf	÷ 3000	1124	1134	4	7.61
ast Japan Railway 6 <sup>5</sup> a 04 <u> </u> 8 8 04 <u> </u>	5	500 500	96¥.	99 96 <sup>1</sup> 2	바 바	6.62	Sweden 44 0	3 21		200	103	103 <sup>2</sup> 6 25 <sup>2</sup> 4	41g	4.27 5.50	SNCF 94	97 FFr	4000	1047	104%	ولب	4.73
B 9 4 97	X	200 1	ns).	1053	1	5.82	World Bank 0 World Bank 7	5 =		800	1145	115	ąlg	172	FLOATING	RATE NOTE	5				
ac de France 0 98	3	300 1	053	1054	-	6.07					•		•				bound	В	kt O	der	C.epn
inc de France 0 98	— 5	100 1 150	107	107% 107%		6.18	YEN STRAIG		79	soon ·	110%	1114	.I.	1.97	Abbey Net	Treesury -& S	29 1000	99.6	t1 00	1.89	52300
coon Capital 0 04	16	900	563	554	ąlg.	6.83	Gredit Foncier GRB 6% 00	43,00 _	7	5000	102 <sup>1</sup> 4	102%	4	4.34	Barkamer	ca 1 <sub>5</sub> 99	750	99.8	_	191	5.5391
ad Home Loan 71g 98	15	500 1	03).	10342	والد	6.13	BB 6 2 00		100	0000	117%	1175		2.05	Canada -	4 99	750 2000 200	99.4		1.51	5.0547
intend 6% 87	15 30	100 1 100 1	04실 마능	105 1013	418	6.73 5.88	Ex-Im Bank Ja Inser Amer Des				1087 <u>a</u> 12035	100 <sup>1</sup> 9 120 <sup>5</sup> 2	44	2.09	Commerce	kOS R₁-1₂	98 750	99.4 39.6		L63 L72	4.6250 6.1250
and Motor Credit 64 96	15	100	00 je	10012	+lg -3₄	6.13	bay 312 01	7700-	300	0000	103%	104	I	272	Credit Lyo	mats 🖟 00	300 1250	97.5	5 86	123	5.5000
eneral Mils 013			234	247	-34	6.60	haly 3 <sup>1</sup> 2 01 — Italy 5 04 — Japan Dev Bk Japan Dev Bk		300	0000) 1	11112	11134	44	3.45	Credit Lyon	nnels 0.30 98 . 1. ez	1250 1000	100.0			5.7414
d Bk Jepan Fin 7% 97		1900 1	መብ 97%	102 96	44	6.03	Japan Dev Bk Japan Dev Bk	63∍D1	100	10000 T	1107g 1201 <sub>2</sub>	111 <sup>1</sup> g 120 <sup>5</sup> g	***	1.80 2.47	Dreeding F	manos & 98 t	M 1000	100.0			5.1680 3.4688
# Finance 5 <sup>1</sup> 4 96		100	0412	10434	ملد	6.62	SNCF 64 00 Spain 54 02		30	0000 1	1174	118	+14	2.04	FED NAT I	MORT-3.00	1000	99.6	1 96	68	5.0977
				965g 965g	1,	5.89 5.89	Spain 5% 02 .		125	5000	118 <sup>1</sup> 2 1003 <sub>2</sub>	116³a 106³a	44	2.74	Finland 0.9	988 0.10 97 77	420	100.0			5.7500
ay 6.03 sly 67g 23 span Dev Bit 67g 01 great Bioc Power 67g 03	35	õ	891	90%	+4	7.93	Sweden 45 98 World Bank 54	0		1000	1145	114%	416	1.18 2.80	Finland -	98	1500 1500	98.7		L17	5,4492 5,1875
pan Dev Bk 6 1 01	5	000 1	065	1003	14 14	6.38					•	•	•		M. Ref. L	nd 1,005	5/91	100.0			5.5000
cres Bac Power 6's 03	13	500 100 1	984 094	965g 103 <sup>3</sup> 2	+48	7.13 6.72	OTHER STRA			5000	107	105		6.87	italy 14 99		1500	99.9 100.0			5.5625 5.9375
crway 74 97	10	00 i	ᅋᇂ	1015		5.89	Finland 6.04 LL Genfinance Luc	9 <sup>1</sup> 2 96 LF	7_7	1000	10912	100		6.01			98 3000	98.8		196	5.6875
ratario 7/2 (23	3,	ו שע	03¾	10¢ <sup>1</sup> 8		6.77	KB Dout Inclu	40k 6½ 03	UFr 2	2000)	107	108		7.16	Ucyds Ber	k Perp S 0.10		82.7		U67	5.3500
gter Kontrolibank 8½ 01	2 19	100 1 100	94%	108 05	+12	5.89 6.75	ABN Arres 65g Bank Ned Gert				1049 <sub>8</sub> 1045a	1047g 105	护	5.33 5.16	New Zeele	nd -1, 99	650 1000	99.5		.87 .00	5.4605
unbec Hydro 94, 96		<b>5</b> 0 1	0712	1077	ąlą.	6.43	Bel Canada 10				10912	11018	-2	7.29	Nova Scot	a 🕹 99	500	99.9			5,4883
uebec Prov 9 98	2	DO 1	054 <sub>8</sub> 0844	105 <sup>3</sup> 2 109 <sup>5</sup> 2	44	6.27 6.45	British Columbi Canada Mig &			1230 1	100 <sup>1</sup> 4 104 <sup>1</sup> 8	100 <sup>1</sup> 2 104 <sup>3</sup> 2		7.85	Ontato () 9 Flerifo () 99		2000 500	99.8 99.7		91	5.2500
NGF 9½ 98			υγ	10712	•		28 101 <sub>8</sub> 98 C				1065	10712	178	5.99 5.47	State Bk V	ctoria 0.05 98	125	99.9		.89 L11	5.8250 5.8872
pain 61 <sub>2</sub> 99			00%	1014		620	Elec de France			275	108	1063	44	7.05	Sweden ()	98 8 01	1500	99.9	8 100	LO5	5,2665
weden 6 <sup>1</sup> 2 00	20 10	100	99½ 99½	9934	1	6.7D 6.31	Nippon Tel Tel				1097g 1097g	170¼ 109¾	176	7.54 7.17	Sweezer)	8 UI	2000	99.5	3 98	.59	5.1758
erneasee Valley 6% 05	20	00	98	984	44	6.76	Ontario 6 03 C	\$	1	1903 1	1014	1012	ᆂ	7.91	CONVERT	IBLE BONDS					
Note Motor 5 <sup>5</sup> s 98	10 15	00	965 <sub>1</sub> 985	964	4	6.71 5.83	Ontario Hydro ' Oster Kontrollo	10% 98 CS	-		1103 <u>k</u> 1093 <sub>8</sub>	110 <sup>5</sup> g 109 <b>7</b> g	410	6.97				Corsv. Price	<b></b> .		_
nited Kingdom 74 02	30	00 1	33-2	104	- <del>1</del> e	6.51	Duabec Hydro	7 D4 CS _	7	1000	93	93%	+4 +4	7.00 8.36	SE Brown	64 05 2		_		_	Prem.
arid Bank 6% 05	18	00	98%	98 <sup>1</sup> 3	4	8.74	Quebec Prov 1				100 <sup>7</sup> 2	1084	바	6.97	Gold Kulgo	orie 75 00 _	438 98		1001 <sub>2</sub> 10 1201 <sub>2</sub>	ክት <sub>፤</sub> 122	+86.20
ortd Benk 8 <sup>3</sup> g 08	15	<b>W</b> 1	(173 <sub>8</sub>	10712	***	6.12	Council Europe Cracil: Fonder	Bis Of Ecor	;	1100 1 1000	100 <sup>3</sup> 2 974	103 <sup>5</sup> g 98 <sup>1</sup> s	+14 +14	6.93 8.78	Grand Met	ropolitan 6½ 0	חול נ	437		11%	+17,39
BITSCHE MARK STRAGE	HTS						Denmark 812 0	2 Scu	1	1000 1	107%	1051	414	6.57	Hanson An	2 08 £	500 420 250	248		XX <sup>1</sup> 2	+29.69
stria 61 <sub>2</sub> 24	20 20		967 <u>.</u> 134 <u>.</u>	89 <sup>1</sup> 4 103 <sup>1</sup> 4	+4	7.46 4.90	EC 6 00 Ecu .		1		99 13 <sup>1</sup> 2	994 1134	4	6.24 8.65	THE REAL PROPERTY.	Land 4 (7) _	<b> 410</b> 3	n.05		0°1 87	+66.73 ~14.77
acit Fonder 7 <sup>1</sup> 4 00	20	∞ :	974	9712	alle .	7.77	Ferro del Stat 1	아 98 원	·	500 1	107%	106 <sup>1</sup>	Ξ,	5.57	Lasmo 734	64 02 E		8.72	963,	99	+7.82
nnak 61 <sub>8</sub> 98	20 15	<b>00</b> 1	033 <u>k</u> 1884	104 987a	#4	420 658	taly 10% 00 Si United Kingdon			500 730 1	114 10%	1144. 1101 <sub>2</sub>		6.72	Milbut Bani	:25g 06	800 23	5.64 32.6		nly 25g	+31.66
estate Sk Fin 712 CS			DES.	105	7	6.62	ACC 10 99 AS			100 1	108 <sup>1</sup> 2	103%	440	6.56 8.70	MOUTH SE	Fin 612 97	100 2	283	361 <sup>8</sup> 8		+71.15
C 6 <sup>1</sup> 2 00	29	ໝາ	11 % 11 %	104	+4	5.39	Comm Bk Aus		¥ A\$	100 1	1243	114%	_	8.78	Ogden 6 (t			4.33		10 <sup>1</sup>	+1.43
nland 7 <sup>1</sup> 2 00	15 20	DG 19	023 374	103 107 <sup>2</sup> 2	all a	5,44 5,57	HSW Treesury			350 900	99¾ 11	1004 11 <sup>1</sup> 2	14g	7.99 9.35		4 03	500 Sta	9097	10212 10	312	+77.71 +9.60
ly 7 <sup>1</sup> 4 98	50	OC 1	157	10512	ولد	425	R & 1 Back 7%	08 A\$		125	93 <sup>1</sup> 4	935	440	9.05	Sumitore :	Finance 7 <sup>1</sup> 2 02 Bank 3 <sup>1</sup> 8 04	230 200 ~~	78	92% 9	KI.	<b>+61.78</b>
CB Baden-Wuert 6 <sup>1</sup> 2 06 orwey 6 <sup>1</sup> 4 98	22 15	50 I	57 <sub>2</sub>	99 104	4	7,00 4,25	State Bk NSW Sth Aust Govt				100 <sup>1</sup> e 997e	100 <sup>1</sup> 2 100 <sup>3</sup> 8	4	8.95 9.01					845 <sub>8</sub> 8		+25.80 +10.71
ntario 6% 04	15	00	973	975	وآله	6.59	Underer Austral	te 12 98 A	<b>.</b>	150 1	1087	1052	Ξ.	8.62	No Intern	c Hittigs 51 <sub>2</sub> 05	E 250				121.09
main 7 <sup>1</sup> 4.03			2412	104%	바		Western Aust T				662	9972		8.45	‡ Only one	reservent remies	Provious da Provious da Provious da	100			
THARMT SONDS: The yest LOATING RATE NOTES: DO SUPOR	i is the enomin	ylekî û Marci la	reder cipling	mption of a united	the bo	i-prios, ti es indic	ne smount issue stad. Coupan sf	g is in milit Kown is mir	ens of our minum. Sp	rency or Press-A	nits. Chi Viergin a	g clayeCi bove plo	hanga o Hinorith	n day. oliend	1860 (#2 <sup>1</sup> 1860	-Mortin Sabow	Mega rate) lo	r US dol	Es. Cop	n=The	

Lomb. inter.



WORLD INTEREST RATES

MONEY RATES

March 14

week ago tretand

### **MARKETS REPORT**

# Currencies steady as German rates unchanged

By Philip Gawith

MARCH 15 1996

the Company is find the control of t

COLLE TELESTON SOUR

covs investors some covs investors some consideration in the second consideration in the cons

Socie Person

11 Sec. 15-15

The same of the sa

offering

in the course in the

が まか 20mm 20mm man min min 2 % to 22 (222)

mainers beliere Ag

To a contract matter of

BASSELLA A TIBLOGIA DE Har will be to be the transfer of the con-

Comment of E

Barrier and Res

1837 TER PER 1:23 .......

TO THE THE PARTY AND THE PARTY

3. 1. Turk- 1182-12

747 Aug 227 2=

Appropriate a margin

adama suparing

:ES

100

(3"-7"-1

10 (E4 TE)

area was a Paris

\*

The dollar traded in a very narrow range yesterday follow-ing the Bundesbank's decision to leave German interest rates unchanged.

Favourable producer inflation figures buoyed bond and equity prices and gave the dol-lar a small fillip in US trading. It closed in London at DM1.4709, from DM1.4718 and at Y105.335 from Y105.3.

The focus of attention was mostly with the New Zealand dollar, which was trading at fresh eight year highs, and the French franc, which wobbled amid speculation of a cabinet reshuffle.

The New Zealand dollar finished at 69.01 US cents, from 68.33 US cents. The franc closed at FFr3.428 against the D-Mark, from FFr3.427.

Like the dollar, sterling was confined to narrow ranges throughout the day, and closed barely changed at DM2.2423

Traders reported that volumes were down on account of the important national hunt race at Cheltenham. Customer activity also tends to decline at

times of low volatility.
The Bundesbank fixed the repo rate at 3.3 per cent for a further two weeks, and left the discount and lombard rates unchanged at 3 per cent and S per cent respectively.

Analysts argue that the dollar is likely to remain confined within narrow ranges until the end of the month. Because it marks the end of the quarter, investors are unlikely to want to take big strategic risks in foreign exchange, especially given the hefty bond losses many have suffered in recent

E Pour	d in New Yes	k
Mer 13	Latest	··· Prev. close
E apot	1.5235	1.5240
1 mili	1.5227	1.5231
a mile	1,5210	1.5213
1 75	1.5141	1.5146

It is these same losses which explain some of the recent weakness in the Italian lira, as investors cut long positions in order to finance their losses elsewhere.

Mr Brian Martin, economist at Barclays in London, said some of the recent weakness in the dollar could be attributed to the firmer Swiss franc. This followed comments earlier this week from the central bank suggesting interest rates would not be cut further.

The franc is also reckoned to have benefited from investors seeking a safe haven from volatilo markets, and political tensions in Asia. Mr Martin said: "There is no way on fundamental grounds a stronger Swiss Franc is justi-

provide a boost to the dollar. He is forecasting that the dollar will break above DM1.50 in

fied." Ho said the ecnnnmy

needed a weaker currency, and

when this eventuated, it would

Lira . Against the D-Mark (tire per DM) 1,040 --

**CURRENCIES AND MONEY** 

fundamentals."

account deficit. Mr Juckes

added: "A rise in yiolds in the

weeks before the end of the

Japaneso fiscal year should

provide a strong incentive,

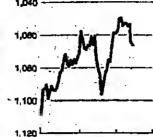
once the dust settles, for Japa-

noso partialia autilaws ta

The sceptics rejninder to this

Germany and the US have not

been this supportive of the dol-



Jan : 1996

Source: FT Extel

shared by analysts at NatWest Markets in London. Mr Kit Juckes said: "The recent turmoil in global bond and equity markets has strengthoned our view that the dollar will benefit from a cyclical recovery during 1996. We are particularly oncouraged that the

shake-out in the US treasury

DOLLAR SPOT FORWARD AGAINST

348.4 2.834 185.3 1.401 209.0 1.580 71.83 0.541 165.7 1.253 0.722 0.051 63.96 0.484 184.4 1.243 68.28 0.524 68.24 0.844 155.5 1.75 88.83 0.571 180.6 1.214 76.99 0.582 105.3 0.796 100. 0.756

Est vol Open int. 11,030 24,025 16,655 48,046 27 1,141

2,179 29,112 6,110 31,483 3 24

% epreed Div. v weekest ind.

5.50

4.90 4.58 4.26 4.23 3.29 2.87 1.97 0.00

lar since early 1989. Yet tho dollar remains within 10 per ceot of its historic low against the D-Mark. "It is no wonder dollar bulls are growing impationt," say analysts at Deutsche Morgan Grenfell in London.

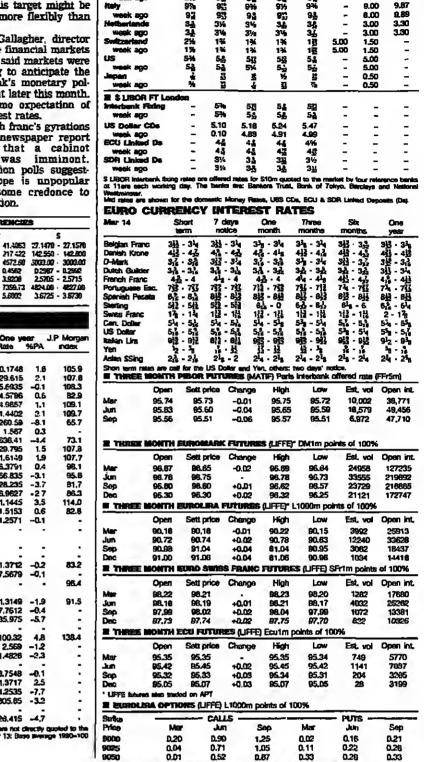
The New Zealand dollar res market has not undormined the dollar and, at the same on the re-iteration by Mr Bill

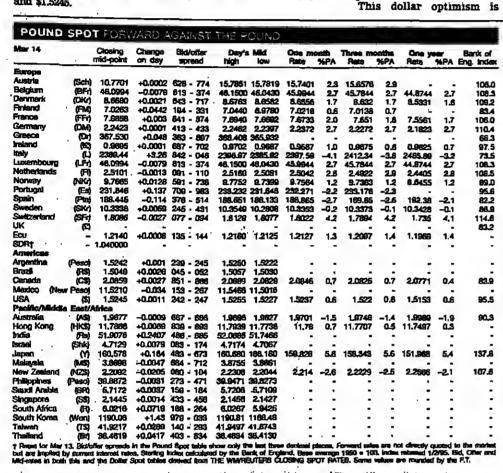
time, has put yields back in Birch, the finance minister, of line with domestic ecocomic the government's commitment to a 0-2 per cent inflation tar-The NatWest view is that get. There had been some conhigher yields are required to cern that this target might be maintain portfolio flows necesinterpreted more flexibly than

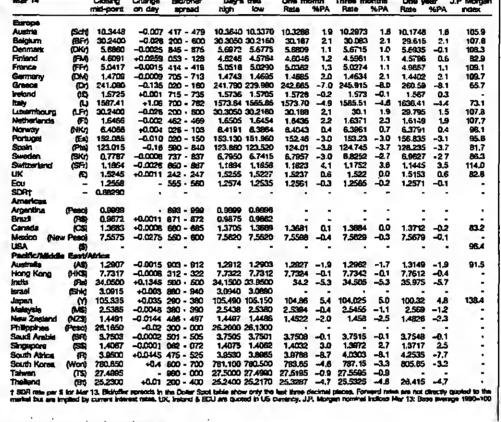
sary to finance the US current in the past. Mr Mike Gallagher, director at IDEA, the financial markets consultancy said markets were also starting to anticipate the Reserve Bank's monetary policy statement later this month. There is some expectation of higher interest rates.

The French franc's gyrations is simply put: short-term interest rate differentials between followed a newspaper report predicting that a cabinot roshufflo was imminont. Recent opinion polls suggest ing Mr Juppe is unpopular have lent some credence to this speculation.

Mer 14	£	S
Czech Pp	41.3775 - 41.4053	27.1470 - 27.1570
Hungary	217.275 - 217 422	142.550 - 142.800
ATT C	4574.10 - 4572.60	3003.00 · 3000.00
Kumak	0.4553 - 0.4562	02987 - 0.2992
Potend	19180 - 3,9208	25705 - 25715
<b>PLESS</b>	7352.74 - 7359.73	4824.00 · 4827.00
UAE	5.5976 - 5.6002	3.6725 - 3.6730







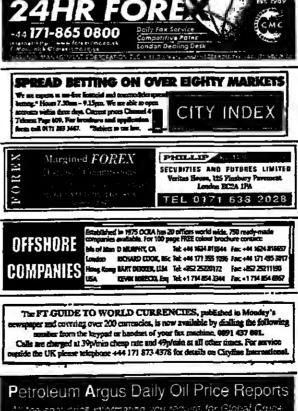
EXCHAN			DKr .		700	Œ	L.	Я	MC	Es	Pta	SKr	SFr	£	cs	3	
Mar	· · · · · · · · · · · · · · · · · · ·	BFr		FFT	DM			_									_
Belgkun	(B)		18,81	16.67	4,864	2.10		5.448	21.16	502.8 267.4		22.41	3.923	2.170	4,526	3.309	
Donnark	(Dt		10 11.28	8.886	2.587	1.119			11.27	301.8		13.44	2.353	1.301	2.714	1.884	
Prance	(FT		3.866	10 S.428	2.917	0.43			4.358	103.4		4.607	0.806	0.445	0.830	0.880	
Germany	(D)		8.945	7.831	2.374	1	2465		10.06	239.2		10.68	1.898	1.032	2.153	1.574	
instanci instanci		1 47.56 Li 1.929	0.363	0.322	0.094	0.04		0.105	0.400	9.703		0.432	0.076	0.042	0.087	0.064	
finly Natherinoda		T) 18.36	3.453	3.082	0.883	0.28			3.801	92.35		4.110	0.720	0.306	0.831	0.606	
Morway .	ONE		8.876	7.869	2.296	0.98		2.570	10	237.A		10.58	1.851	1.024	2136	1.562	
Portugal	Œ		3.739	3.315	0.967	0.41		1.083	4.213	100.	91.28	4.456	0.780	0.431	0.900	0.658	
Spain	Pi		4.601	4.079	1.190	0.514		1.332	5,184	123.0		5.483	0.960	0.531	1.107	0.809	
Sweden	(SI		8.391	7.439	2.170	0.98		2.430	9.454	224.4		10	1.750	0.968	2.019	1.476	
Switzerland	(SF		4.794	4.251	1.240	0.53		1.388	5.402	128.2		5.713	1	0.553	1.154	0.843	
UK		48.09	8.666	7.685	2.242	0.90		2510	9.706	231.8	188.4	10.33	1.808	1	2.088	1.525	
Coueda	(C		4.155	3.684	1.075	0.46			4.682	111.1	90.32	4.952	0.867	0.479	1	0.731	
US	•	5) 30.22	5.684	5.039	1.470	0.63	5 1567	1.646	6,404	152.0	123.5	6,774	1.186	0.656	1.388	1	
Japan		28.70	5.397	4,785	1.396	0.60	3 1466	1.563	6.081	144.3	117.3	6.432	1.126	0.823	1.299	0.950	
Fran		37.97	7.140	6.330	1.847	0.79			8.044	190.9		8.509	1.439	0.824	1.716	1.258	
Danish Kroner,	French Fr	and, Norway	pien Kroner,	and Swee	inh Krono	p <del>ár</del> 10	; Belgian F	rana, Yen, E	ecudo, Ura	and Per	eta per 100.						
E.D-MARK	PUTURE	(MM) C	M 125,000	per DM					E J	PANE	ME YEST PL	TURUS	(MMQ Yen	12.5 per	Yen 100		
	Open	Latest	Charge	High	1 L	w	Est. vol	Open Int.			Open	Letest	Charge	High	L	ow I	=
Mar .	0.6796	0.6796	-0.0002	0.880	6 0.5	793	6.712	34.233	Mar		0.9526	0.9499	-0.0016	0.952	B 0.1	480	11
	0.6831	0.6833	+0.0001	0.663	9 0.8	825	18,916	43,491	Jun		0.9636	0.9612	-0.0022				1
Sep	<u></u>	0.6868	_	_		-	80	2,022	Sep		0.9745	0.9735	-0.0014	0.974	5 0.5	7735	
n SWISS FI	ANC FU	TURES (	MM) SFr 12	25,000 p	r SFr				25		O FUTUR	ES (IVIM)	\$32,500 p			_	_
Mar	0.8431	0.8425	+0.0008			420	2,143	17,454	Mar		1.5280	1.5240	+0.0000			3232	2
	0.8491	0.8502	+0.0008	0.851		485	11,432	25,079 416	· Jun Sep		1.5218	1,5216	+0.0010			5206	0
Sep	-	0.8579	+0.0010	0.000	"		~	410	COP								
							_	_	EM	e FI	ROPE	M CI	<b>DREW</b>	ev un	IT R	ATES	
UK INT	ERES	T RAT	ES					_	Mer		Ecu ce	n. F	tate	Change	% +/	- from	9
LONDON	MO	EY R	ATES						_		rectan		net Ecu	on day			٧
Mor 14		Over-	7 days	One	771		Six	One	Spale		162,48		58.872	-0.164		.23	
		night	notice	mont	J WOL		words	year		ertends			11807	-0.00125 -0.0284		,63	
		5% - 4 <sup>1</sup> 2	0 - 5	6la - 5	45 61a	- B	64 - B	84 - 64	Belg		38.396 13.438		8.8535 8.2942	-0.0068		.38 .07	
interbenk Steri	ing	318 - 4-2	0 - 515	6.4 -	-		64 - 0	64 - 64	Aust		1.9100		.89018	-0.00105		.04	
Starting CDs	•			53 - 5					Ports		195.70		85.512	-0.051		.14	
Treasury Bills				553 - 5			54 - 512	-	Deni		7.2858		30533	-0.00451		27	
Bank Bills Local authority	- classe	512 - 512	6 - 54		8 64	- 6	54 8	64 - 54	Fran		6.4060		A7996	+0.00160		.10	
Discount Mark		6 - 512	64 - 51	-			-	-	Irela		0.79221			0.000568		.14	
LIK clearing be	ust been	learling (SI	a 9 per cen	t from M	erch 8, 1	996			NON	FRM N	MEMBERS.						
CK CHEE-4			Up to 1	1-3	3	-6	6-9	9-12	Gree		292.86	7 3	08.903	-0.073	5	.82	
			month	mont	h mo	nthe	months	months	Italy		2106.1		317.70	+9.61	-4	20	
			212	51/2		5	5	4%	UK		0.78685			0.000335		.10	
Certs of Tex de Certs of Tex de Ave. tender rate Feb 29, 1998. A rate for period F	of discour greed rate ob 1, 1990	100,000 is 2	2pc. Deposit	ts withdray	en for cas	14pc			for a c	CHARLES,	es set by the anges are for two spreads: and the make a. ag and itelian	panu bau paceu	stage differen	rage deviat	ion of the	Chuanch,	
from March 1, 1	onth S	TERLING	FUTURES		2500,000	points	of 100%		1		_						ĺ
	Onen	Sett price		Hiat		DW D	Est, vol	Open int.	2 P		LPHIA SE	E/F OP	TIONS SS	1,250 (cer	es bar l	xorua)	_

LIK clearing	a bank base	lending rate	8 bet ceu	COM ME	CX1 0, 18890			NON ERM	MEMBER	S						
•			Up to 1	1-3	3-6 months	6-9 months	9-12 months	Greece	292		2017.70	-0.07		5.82 4.20	-2.53 7.67	
		<u> </u>	month	month	THO IN THE			LIK	0.786		0.843171	-0.00033		7.10	-3.77	_
Certs of Tip Ave. tender Feb 29, 198 rate for peri	6. Agreed rate of Feb 1, 199	100,000 is 232 int on Mar 8, 5 is for period Ma 6 to Feb 29, 1	r 28, 1996 996, Schem	10 Apr 23, 1	239ps. Finan	g II & III 7.48; icae House Bu	pe Page 6.5pc	Sou centrel Percentage radio betwee for a current	rates set by a changes are en two spread the many, and the	the Europ for Ecu; fs: the pr maximum	peers Commise a positive cha accertage diffe pomisted per suspended fro	ion, Cumeno age denotas renos betwe tentage devi	ins are in a week o en the ac stion of th	descending the current	ing relative in Devergence at and Esu sy's mortes	ations the central rates rate hors is
	E MONTH	TERLING !	UTUKES			145 01 1007		-	DEE PHEA	SE 7/5	OPTIONS !	31.250 fc	artis per	nound)		
	Open	Sett price	Change	High	Low	Est. vol								<u> </u>	PLTS -	
Mar	93.86	93.87	+0.01	93.87	93.84	5841	54473 78877	Strike Price			CALLS -	May	Mer		Apr	May
Jun.	93,98	93.97		94.00	93.95 93.75	9827	57858	1.500	2.3		2.52	2.99	0.08		0.27	0.80
Sep	93.78	93.80	+0.02	93.84	93.73	11380	48490	1.510	1.3		1.83	2.38	0.05		0.53	1.15
Dec	93.46	93.46	+0.03	93.13	93.04	3267	33115	1.520	0.4		1.22	1.82	0.11		0.91	1.58
Mer	93,05	93.10					55115	1_530	. 0.0		0.75	1.95	0.33		1.45	2.12
Algo tracked	On APT. AL	Open sterest	igs. are in	Tanadore r	жу.			1.540		~	0.42	0.87	0.56	1	2.12	2.69
٠.					4 404			1,550	-		0.21	0.68	1.48	3	2.84	3.35
E SHORT	C STEERLINE	OPTIONS	(LIFFE) E	500,000 p	CHRIS DI IUI	-		Previous de	ey's vol., Calle	5,235 P	uts 3,177 . Pro	w, day's ope	n Inc., Car	le 191,63	2 Puts 207.	341
Strike		CAL	LS			- PUIS -										
Price	Ma	r Jur	, ,	Зер	Mar.	Jun	Sep							CAN		
9375	0.12	0.29		.34	0.01	0.07	0.29	M THERE	EMURIN	TO THE	OLLAR (IM	w) similipo	1 KD CA 1	UU70		
9400	0.01			20	0.14	0.1B 0.32	0.40		Open	Lat	est Chaire	ge Hög	ín I	LOW	Est. voi	Open Int
			, 0	.12	0.38			Mar	94.61	94.	91 <b>-</b>	94.8	72 8	4,60	32,454	272,838
East and that	of Calls 3270	Puts 2592. P	revious day	A open int	, C20s 1610	ST PHEN 1090	D4	Jun	94,58	94,	BD +0.0	2 94.6	3 9	4.57	56,394	393,451
								Sec.	94,48	94	48. +0,0	2 94.5	2 9	4.45	93,610	328,408
											TURKS (M		- 1000			
								E US TA	EASURT	ILL PU	I filetty law	ef erm bo	100%			
								Mer	95.09	95.	D9 -	95,0	9 9	5.00	154	3,270
		RASE	LEND	ING R	AILS		-	Jun	95.09	. 95.	0.0	2 95.1	2 9	5.08	844	8,587
					%			Sep	94.96	94.	95 +0.0	3 94.9	8 9	4.95	325	2,625
Arlera 2 (	Company	% Du	ncan Lawr ster Bank I	ie	8.00 Ros	at Bik of Scot	% tend _ 6.00		terest 1gs. w	e for pro	Wous day					
Alled Tru	et Bank	. 6.00 A	ancial & G	en Benk no & Co	7.00 •Sm	per & Friedle th & William	Secs. 6.00	a Euro	MARK OP	TONS (	LIFFE) DATE	m points o	100%			
CHANNY AT	sbacher	6.00 G	obank		125 UH	ed Bank of K	. 6.00	Strike			CALLS -				PUTS —	
Barres Di	beo Vizceys	6.00 •G	hithess Ma bib Bank A	C Zueloh I		y Trust Berk	Plc 6.00	Price	Mar	Apr	May	Jun	Mer	Apr	May	Jun
Bank of C	yous	6.00 Ha	enderes Bar	L 2004	500 We	stern Trust Besway Laick	5.00		0.18	0.27	0.28	0.31	0.01	0.02	0.03	0.08
Rock of h	GROTT	_ 500	dentile & G	an law Fit. I	ROO West	cahire Bank .		9850	0.01	0.08	0.11	0.14	0.11	0.08	0.11	0.14
David of k	ndia	6.00	Samuel		100			9675		0.01	0.03	0.06	0.35	0.26	0.28	0.30
Daniel 44 C	Scotland	6.25	Hoere & C		ann a			9700	Q							
Corriers 1	Bank	_ 6.00	ngieng & : Ien Hodge	Shenghal I	6.00 m	embers of Lo resistant Bur		Est vol. to	\$10755 FR	ANG O	10150. Provide PT30HS (LL)	TE) SFr 1	n points	of 1009	4	252-9
GRown Co	المامات مستو	مريد	obojej 7028	oh & Sons I	- 20	sociation		Strika			CALLS -			— I	PUTS	
Cidenal I	U4		yds Bark .		8.00 h	administratio	я.	Price	Ma	ď	Jun	Sep	Mer	•	Jun .	Sep
Charlesole	de Rank	_ 5100	ohrai Bani	191	6.00			9800	. 0.2		0.29	0.27	0	f	0.10	0.25
The Coo	remarka BAIT		dand Bank		B.00			9825	0.00		0.13	0.15	0.06		0.16	0.38
Courte & i	Co	PM	unt Credit	Caro 6	.25			9850		•	0.06	0.07	0.29		0.38	0.55
Convillation	nonek	_ 15.000 a.m.	عراس المعالمات	Br [	5.00					- 6 P	Micros day's o					
Cyprus P	oputer Bank	.520 ⊕Re	a Brothers		5,00											
								1								

**.** 

 $Y = \left[ \left( \left( \frac{1}{2} + \frac{1}{2} \right)^{2} \right)^{2} + \left( \left( \frac{1}{2} + \frac{1}{2} \right)^{2} \right)^{2} \right]$ 







**∂Market-Eye** 

FREEPHONE 0800 321 321 FAX 0171 398 1001

the Notes will carry an interest rate of 5.875% per annum with a coupon amount of U.S. \$303.54 per U.S. \$10,000 Note, payable on Bankers Trust Company,London Agent Bank Christiania Bank og Kreditkasse (Incorporated in the Kingdom of Nort U.S.\$250,000,000 Floating Kate Suborannated Notes Due 2001 Notice is hereby given that the Rate of Interest has been fixed at 5.375% and that the interest payable on the relevant Interest Payment Date September 16, 1996, against Coupon No. 20 in respect of US\$10,000 nominal of the Notes will be US\$276.22 and in respect of US\$250.000 nominal of the Notes will be US\$6,905.50. March 15, 1996, Landon By: Citibank, N.A. (Issuer Services), Agent Bank CITIBANK®

**Bank of Greece** 

Athens, Greece

U.S. \$250,000,000

Floating Rates Notes due 1999 For the six months 14th March, 1996 to 16th September, 1996,

### U.S. \$500,000,000 CITICORP • ated Bank Adjustable Note Capital Securities BANCS

Notice is hereby given that the Rate of Interest has been fixed at 5.6875% and that the interest payable on the relevant Interest Payment Date June 17, 1996 against Coupon No. 38 in respect of US\$50,000 nominal of the Notes will be US\$742.53. March 15, 1996, London By: Citibonk, N.A. (Issuer Services), Agent Bank **CITIBANCO** 

CANADIAN PACIFIC LIMITED
At a meeting of the Board of Directors held
today, the following dividends were declared:
ORDINARY SHARES ORDINARY SHARES
A quarterly dividend of revelve cents (12c)
Canadian per share on the outstanding
Ordinary Shares, possible on April 23, 1996 to
bolders of record as the close of business on
blanch 27, 1996.
PREFERENCE SHARES
A quarterly dividend of St.D.I per Canadian
Dollar Preference Share and 1/3 perice per
Sterling Preference Share on the outstanding
Preference Shares, payable on April 29, 1996
to bolders of record at the close of business, on
blanch 27, 1996.

BY DESSES OF THE BORDE BY ORDER OF THE BOARD D J Deegan Vice-President and Secretary Calgary, March 11, 1996

Opportunities Section For senior management positions. For information call: Will Thomas +44 0171 873 3779

### **APPOINTMENTS**

### Corporate Finance

Leading international investment company requires an investment banker to work within Corporate Finance specialising in both the Swiss and Italian work within Corporate Finance specialising in both the Swiss and hallan markets to London. Applicants, aged 30-35 and educated to MBA standard, with minimum 10 years' previous relevant business experience including Equity Capital Markets and Mergers and Acquisitions, must have proven ability to provide creative financing solutions, extensive experience in privatisations, add ous and convertibles. The incumbent must have experience and contacts within telecommunications companies worldwide, successful deal experience with European companies, superior management and presentation skills and fluency in Italian in addition. Salary negotiable. Please write in strictest confidence, enclosing full curriculum vitae, to:

Please write to:Box B5360, Financial Times, One Southwark Bridge, London SEJ 9HL

Yes Describes MAY PER(-)
6.8 459 9 11.3
6.8 109 0 97
- 59.5 -4.9
- 248.2 -1 0

12 361 3 192 1516 192

35 1039 15

1.5 126.4 21.7 8.3 50.1 14.2 234.2 18.4 8.3 117.2 5.3 - 107.1 17.4

1.5 1906 1.3 1.5 11-9 184 1.1 1983 17.7 2.7 78-9 -17 1.4 17/9 173 2.1 401 4 133 5.8 61 0 115 1.9 67&3 139 - 1191 3.3 4.1 1701 19.3

5.0 134.5 162 4.0 153.9 -14 - 78.3 11.2 1.2 94.3 0.0

4.9 361 7 2.4 3.9 404 7 03 1.2 696.6 2.3 4.2 437.3 165

18.5 122 | 26.1 18.5 122 | 26.1 10.6 77.4 -111 17.7 - 652.4 18.7 23.9 14.2 23.8 - 23.9 34.2 78.1

-

Jahran San Carlott

30

LONDON SHARE SERVICE P.E. Motors, 184 Apr. 179 Alco 97 Autor 97 Alco 97 Autor 97 Alco 97 Al Albert Gemeng utspilled. Before per 4 for the fact of On Section 10 American 10 Amer 5.146 300.4 70.0 2.004 9,471 472.9 7,914 188.0 618.3 10.9 5,883 NAME OF THE PROPERTY OF THE PR 4. 1841 H. 1265 580 571 146 457 536 406 517 605 705 140 705 Racial At Critical Residence | 新田田の東の中部所であるのでは、「まって、「大」で、「なんさって、」 「「「「」」」「「「」」「「」」「「」」「まって、「」「」「大」で、「なんさって、「」 الِمُ لِمِيْدِ [11] لِمَهُ الْحِيْدِ أَلَا المَّذِيدِ أَمْدِدُ أَمْدِدُ أَمْدِدُ أَمْدِدُ أَمْدِدُ أ ATAI Canem 6,31 146,7 471,2 197,1 410,4 138,5 40,1 23,1 40,3 26,1 26,1 Frace 90: 10 4500 11年11年11年11年11年11年11年11日 Remarks of the control of the contro HOUSEHOLD GOODS 25 40.3 | Transport | Transpor ENGINEERING \$ 12 [[1] [[24] [ ## (# 652 1772 ## 652 1774 ## 在自然基本44 其中有效是由于4.2015年的基础经验的大致区域和1.2015年的基础是是是是1.2015年的1.2015 公,我是自己是他们是这个是我们的是他们,他们可以把我们的是一个,我们是我们的是我们的是不是我们的的,我们也是我们的一个,我们也是我们的,我们也可以是我们的一个, "我们是我们是我们是我们的是我们,我们可以是我们的是我们的是我们的是不是我们的是不是我们的是我们的人,我们也是我们的是我们的,我们是我们是我们是我们的是我们的是 SEAST TO THE TRANSPORT OF THE SEAST ## 175 APV ## 170 APV ك | إم | أَمُمُوِّدُ : | أَمْعِمُ أَنْمُ أَنْمُمُ عَمُمُ إِلَّا إِلَا إِلَا أَنْمِدِ أَنْمُ إِنَا أَمْدُ أَنَا أَنْمَدُ أَنَا أَنْهُ أَنَا أَنْهُ لَمْ فَأَلَّا أَنْهُ أَنَا أَنْهُ لَمْ فَأَلَّا أَنَّا أَنْهُ أَنَّا أَنْهُ أَنَّا أَنْهُ أَنَّا أَنْهُ أَنَّا أَنْهُ أَنَّكُمْ عَمْمُ أَلَّا أَنَّا أَنْهُ أَنَّا أَنَّا أَنَّا أَنْهُ أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنّالًا أَنَّا أَنْهُ أَنَّا أَنَّا أَنَّا أَنَّا أَنْهُ أَنّا أَنْهُ أَنَّا أَنْهُ أَنَّا أَنْهُ أَنَّ أَنَّ أَنَّا أَنَّا أَنَّا أَنَّا أَنَّ أَنَّ أَنَّا أَنَّ أَنَّا أَنَّ أَنَّا أَنَّا أَنَّ أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّ أَلَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنْهُ أَنَّ أَنَّا عَلَاكًا مُ لَمْ أَنَّا أَنَّا أَنَّا أَلَّا أَنَّا أَنّا أَنّا أَنَّا أَنَّا أَنَّا أَنَّا أَنّا أَنَّا أَنَّا أَنَّا أَلَّا أَنَّا أَنَّا أَنَّا أَنَّا أَنّا أَنَّا أَنّا أَنّا أَنّا أَنّا أَنّا أَنّا أَنّا أَنّا أَنّا أَنْ DISTRIBUTORS 295-4112779882114529212821672482681476481477658651142686777648268777648289237868112768827766747788821882167766814776581127688176881776881768881768881768881768817688176881768817688176881768817688176881768817688176888 ABI Jees | Notes |
ABI Jees | ABI Jees | ABI Jees |
ABI Jees | ABI Jees | ABI Jees |
ABI Jees | ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees | ABI Jees |
ABI Jees |
ABI Jees | ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI Jees |
ABI | あれたアスターの 1997年 Abort Seed Stock H ComSect S LA RECUELTAS ESTANDADAS ESTANDADA 編 (m 25.74 年 24.72 年 24.74 年 Alternat Loyds ... 201 34

Warranto ... 201 34

Warranto ... 201 34

Warranto ... 201 34

Alter & Aler & Carlot ... 201

Alter & Alter 472 472 474 TAGE 11 200 11 2 211 292.2 460 273.0 578 3,400 421. 428.6 205 138.2 475 13.3 365 24.1 a 154 DIVERSIFIED INDUSTRIALS 71d Gra PE 42 0 17.7 700 20.0 5.6 13.9 The state of the s は ない From the UK's leading provider of distributed IT systems and services. 1417 392 384 417 457 506 495 377 314 316 316 315 382 380 331 | Section | Sect 》,我想觉得多年的心理,我们也是这种的人,可以也没有的是否的人,我们就是这个人的人,我们也不是一个人的人,我们也不是一个人,我们也没有什么,我们也没有什么,我们也会 我们就是这个人的人,我们就是我们的人,我们也没有的,我们也没有的人,我们也会不是一个人,我们也会会会会,我们也会一个人,我们也会一个人,我们也会会会会会会会会会 Computacenter EXTRACTIVE INDUSTRIES - Cont. EXTRACTIVE INDUSTRIES - CONT.

| Main into | Main | BUILDING MATS. & MERCHANTS The second of th 。2.1. 在外面,这种,我们也是有一个,我们也是有一个,我们也是有一个,我们也是一个,我们的,我们也是有一个,我们也是一个,我们也是一个,我们也是一个,我们也是 19 3.6 1.0.5
3.7 7.5 Perbain Ears Sate No. 2.7
3.7 1.0.5 Perbain Ears Sate No. 2.7
3.8 Perbain Ears Sate No. 2.7
3.9 Perbain Ears Sate No. 2.7
3.0 Perbain Ears Sate No. 2.7
3.0 Perbain Ears Sate No. 2.7
3.1 1.3 Pe 第10日においる。 10日においる。 10日においる 10日においる 10日においる 10日においる 10日においる 10日においる 10日には 10日には 10日には 10日には 10日には 10日に GAS DISTRIBUTION ### 12 Street ### 12 Street ### 14 Street ## HEALTH CARE APTA Heatercare, VIII
Gran PE Armentiare APTA
Long Accordance Long APTA Heater APTA
Long ACCORDANCE
Long APTA Heater APTA
Long APTA HEATER
Long APT 41111 MIH 11 12.14 はなるのでははいるのでは、これのでは 

1 \BCH 15 |996

ob builded on the filter

The state of the s

LEISURE & HOTELS

| Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Comp

1.00

CONDON SHARE SERVICE

OTHER FINANCIAL - Cost.

OTHER FINANCIAL - Cost. DAY TRUSTS SPLIT CAPITAL - Cont. LEISURE & HOTTELS - Cont. | The property of the property Compact Cor As Div Management Corner of Control of Cont ist ist statestatestatestatestat jakija saiti atestatestatesis jakoseknykki menistratistatestatesta Harris State Charles Control of the | Section | Sect 2 woods but 10 mm Prices for the London Starre Service polivored by FT Extal, a member of the Financial Times Broup.

The Gr's PKE Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

Starre Indices.

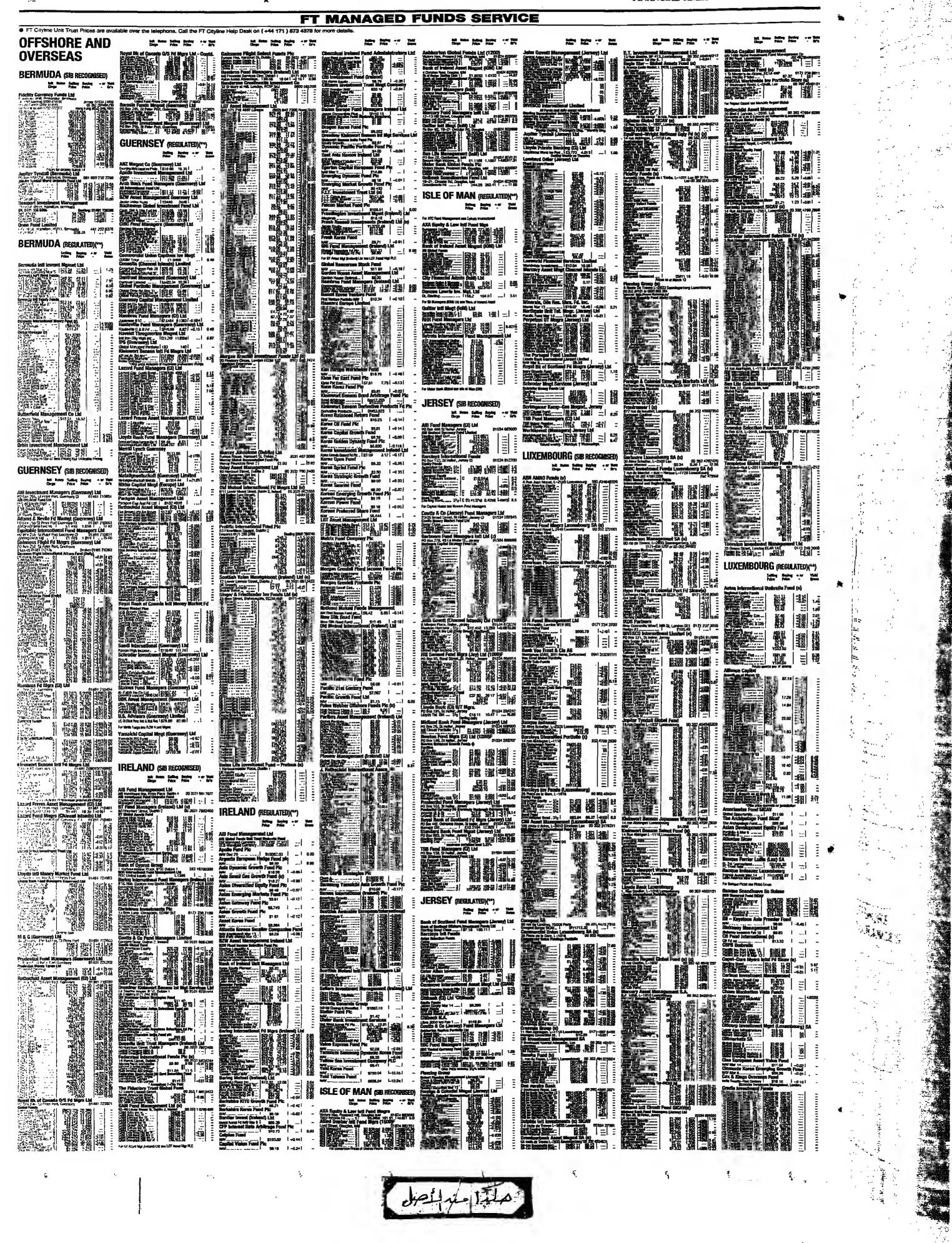
Starre Indices.

Starre Indices.

Starre Indices.

Starre Indic Prices for the London State Service delivered by FT Extel, a member of the Financial Times Broup. The following Investment troubs are not eligible for investment in the Friends of the Principle of the Princ Here interest uniforms supplied by Heidflest Securities Limited as a guide only. See juste in Lusdon States Service Invited as a guide only. See juste in Lusdon States Service Invited States States Service Invited Search Service Invited Search Service Invited Search Service Invited Search S INVESTMENT COMPANIES | Secret billion | Secr

LONDON SHARE SERVICE





٧e

5 96

"new

ive Ty

er ine market

l which s inter

it: Hing

a pro-20000a) behind

making time the

Phority

uld still

ii shell.

≉ done.

Атепса, и 👯 its Euro-

COTTORS and

izology to

ारपुः च जीवनी स्टब्स्स

# PHOUGH

ाक्ष्म हैं अंक्र

ter and Mine

a content and

n le maka

(AMERICA)

Ryden

Siesse partole

siesse partole

1 m 1 m 182 g. . j. 1735b ---

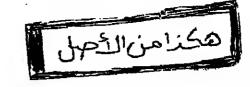
225 66121

The second section of the second seco

Now Jest Marie Marie

1,10

ispaud



### FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details. FT MANAGED FUNDS SERVICE PROTECTION UNIVERSAL SECRET AND ADMINISTRATION OF THE PROTECTION O -2.15 BA: -835 -837 Pacific Back Sabre Puteres Fund -0 03 -3 53 187 13 | 256000 #2.30 \_\_| 一 经路 152 Ha ± 333 Ecu154.18 ... \$1082.53 STATE OF 78 STATE OF THE STATE 3198 **=8£8** 10 300 Global CooverShip Meastread 1 -1 -502 39782 1 :-1 Town Par Street War And Company of the Company of t Copin Ster Intil Life Sea 01574 MIZZER \$21.57 bark Merril Lynch Associ Management The Association - Strict Associatio - Strict Association - Strict Association - Strict Associati \$15.60 +0.07 Sonia Barrey Inc. Street Construction #18 #1.89 国體 **:88**3 1:881 Reparties Vigorants Staff Countries I and Light Countries I and Li I ...I Equipment as Soring to Equipment and Soring to Equipme Emerational (Section 1997) | ::| Hassesmann Hidgs MV Caracteo Hassesmann Hidgs MV Caracteo Hassesman Feb 20 SE250 82330 July Huff Capital Corps Has Corps Has 11 S130 58 +0301 . Isaasa 10,000 l oggasay SA (tied Ca low Private cation as .. | Church as each |311 翻網 北樓 報報 北 = is117.79 118.65 i F. Wertpanie RestRy \$10.03 1 -0.07 Today In +0.07 +0.18 \$15.05 ragement S.A. (u) 1-1.81 815.25 | +0.23 | \$1324 ---PMINTPSF =38.19

### LONDON STOCK EXCHANGE

### Revived bid hints and Dow advance lift shares

By Steve Thompson, UK Stock Market Editor

The return of domestic takeover speculation, a spate of encouraging corporate results and another promising showing from the US stock market saw shares in London race

ahead yesterday.
The FT-SE 100-share index ended the session a net 41.5 up at 3,681.8, while the FT-SE Mid 250 index delivered a solid, if sedate, performance, finishing 3.0 points ahead at

Such was the momentum displayed towards the close that some UK traders were speculating on London ending higher on the week.

despite Monday and Tuesday's falls. a prospect would have seemed extraordinary on Monday, when dealers were bracing themselves for a hig sell-off, which some of the market's more nervous operators thought could have approached the decline of 1994 and, as the panic-stricken thought, that of 1987.

The FT-SE 100 staged a strong and sustained advance throughout the day, with pockets of profit-taking being shrugged aside as stock market bulls hecame increasingly confident. The takeover rumours, which had mostly been on the back burner this week, revived yesterday and were focused sharply on Zeneca and Ladbroka

Mount Charlotte Investments

and the UK's second biggest

hotel group, could receive sig-

nificant investment from the government of Singapore.

poured into Brisrley invest-

ments, which has a majority

stake in Thistle. Speculation of

an increased shareholding in

Thistle helped all the hotel groups, but for Ladbroke there

was further impetus from old

rumour that Bass might be

interested in making a hid. Ladbroke jumped 12 to 189p.

However, it was announced

later in the afternoon that Mr

David Jarvis, the chief execu-

tive of Ladhroke's Hilton

Hotels, had bought shares. A

director is not allowed to pur-

chase stock if he has know-

ledge of a prospective bid. Elsewhere, Granada added

14 at 734p and Queens Moat

Houses % at 20%p. New arrival McDonalds Hotels got off to a cracking start. The shares,

offered by Cazenove at 145p.

opened significantly higher on

their first day of trading and

while Bass slipped 7 to 742p.

The cash is expected to be

Activity in the former ballooned yesterday, with the shares featuring prominently in the Footsis performance table and the options attracting exceptionally heavy business. Dealers said the market had revived the old story that Roche, the Swiss drugs group, was about to launch an offer for the group, one of the few remaining top quality interna-

tional drugs companies. The day's other keen bid story, and one that, as in the case of Zeneca, has been around for many months, pointed at Ladbroke, the hotels to betting offices group. Its shares rocketed on revived sugges-tions that either Bass, one of the UK's leading brewers, or Hilton

International, of the US, was about news, which included a surprise fall to pounce with an offer.

Other long-standing takeover stories being revived by hungry stock-brokers yesterday included Royal Bank of Scotland and Standard Chartered. Although the shares were unchanged yesterday, Cable and Wireless remained, dealers said, one of the market's favoured bid candidates after the recent news about the failed attempts at a tie-up

London began the session in good form and built on an initial 13-point gain. The Footsle closed at the day's best, only 18.2 off the 3,700 mark. Wall Street gave a positive response to the day's economic

Dow Jones industrial Average was more than 40 points higher for much of the early trading sess

in producer prices in Fehruary. The and standing just below that figure 90 minutes after London closed. Today brings the expiry of the FT-SE 100 and Mid 250 futures and

ting that at least one leading securities house was looking to drive the market lower ahead of the expiries Turnover at 6pm topped the 1bnshare mark, reaching 1.05bn shares. with at least three trading programmes said to have been executed yesterday. Customer business

on Wednesday was worth £1.96bn.

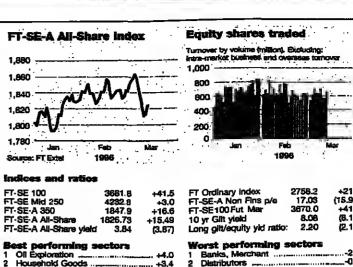
added 111/2 at 365p for a three-

day advance of 6 per cent. BT was the day's second

most active Footsie stock,

adding a penny at 355p in 29m

8.9m shares dealt at 350p.



### Review fear hits powers

National Power was London's most heavily traded stock. One institution, seemingly nervous about the outcome of the forthcoming monopoly review. bailed out to the tune of 15m

The block of stocks, amounting to some 1.3 per cent of the privatised generator, was placed with one leading UK marketmaker at 459p a share, a big discount to the prevailing price. The sbares were successfully sold on, resulting in net turnover of 31m shares by the close of trading.

The generators are keen to own electricity companies to protect their earnings. Next week the Monopolies and Mergers Commission is to make a submission on the generators to the Department of Trade and Industry. The results should be revealed by the end of the month and any investor oervous about stringent ownership conditions being imposed might want to offload stock beforehand, National Power slipped 3 to 465 4p and PowerGen fell in its

wake to close 5 off at 509p. Ladbroke surges

Hotels and gaming group Ladbroke shot forward in afternoon trade, helped by rumours of blg overseas investment in the UK hotels industry. Leisure sector specialists said Thistle Hotels, the former

Two of the three wines and spirits leaders moved ahead

ended at 180p.

Spirits mixed

smartly, in spite of disappointing results from Seagram. Hit by price pressures and a beavier marketing spend, the Canadian drinks giant turned in a 16 per cent decline in fourth-quarter operating profits from wines and spirits. Allied Domecq came off 5 to 497p in 11m traded, but Grand Metropolitan steamed ahea by 9 to 430p and Guinness pur

on 31/2 at 4671/2p. GrandMet was partly bolstered by the news of a Burger King marketing deal in Japan. Guinness, a strong performer lately on share buyback talk ahead of next week's results statement, traded 16m shares. There was talk of big options

positions being unwound Regent Inns buoved lately hy takeover talk, leapt 34 to a new high of 955p and rival pnbs group Wetherspoon rose

Enterprise Oil was the market's star turn yesterday, the shares jumping 33 to 420p on turnover of 19m.

The motor for the rise was an exceptionally well presented meeting with analysts -the first for several years and a set of results that delighted investors.

Enterprise's profits were at the top of the range of fore-casts, but the most enthusiastically received part of the presentation was the comment, backed up by solid argument,

that the company had the pros-pect of doubling its reserves. Analysts said the company had previously appeared to have lost its way and, with the abortive bid for Lasmo, had signalled it needed to buy into oil because it could no longer "Enterprise demonstrated

that it was back on track," said one analyst. The shares were further helped by a strong oil price and rumbling bid optimism within the sector. Ever present bid target Zeneca forged ahead 58 to

1402p, within a whisker of its all-time high.

There was no new twist to the old speculation that either Roche, of Switzerland, or Glaxo Wellcome are keen to join forces with Zeneca. But a rumour whipped through the trading desks in the morning that a bid would be announced at 2.30pm and that was enough to push the shares higher.

FINANCIAL TIMES EQUITY INDICES

Mar 14 Mar 18 Mar 12 Mar 11 Mar 8 Yr ago "High 
 2758.2
 2738.6
 2729.9
 2746.9
 2760.0
 2371.5
 2897.9
 2238.3

 3.92
 3.95
 3.94
 3.91
 4.47
 4.73
 3.76

 1.881
 16.50
 16.46
 18.56
 16.65
 16.65
 16.12
 21.39
 15.35

 16.23
 16.18
 16.13
 16.23
 16.32
 12.18
 22.21
 15.17

Ordinary Shar	<ul><li>hourly</li></ul>	changes					
Open 9.0	10,00	11.00	12.00 13	14.00 LOO	15.00 10	3.00 High	Low
2740,4 2739.	0 2743.1	2744.0 2	750.5 275	2.5 2761.9	2752,2 275	3.7 2758.2	2735.3
	_	Mar 14	Mar 13	Mar 12	Mar 11	Mar B	Yr ago
SEAO bargains		38,957	35,443	35,620	40,381	37,914	27,404
Equity furnover	(Emit	-	1961.7	1641.5	1681.8	1998.2	1514.5
Equity bargains	rt	-	39,842	40,574	46,241	41,760	40,369
Shares traded	(m)†		666,1	572.3	574.2	700.5	719.9
tExcluding intra-	market buse	ness and o	verseas tur	101407,			
	Mar 14	Mer 13	Mar 12	Mar 11 M	ar8 Yrag	o "High	'Low
FT-SE AIM	968,3	3 967,72	969.39	965.58 9	78.04	- 1054.62	965.88

d	Hises and falls'		52 Week highs a	nd lows	LIFFE Equity optio	ns.
	Total Rises	621	Total Highs		Total contracts	47.
t	Total Falls	511	Total Lows	40	Cells	23
	Same	1,451		_	Puts	24.
	Mand & White box	-d F	the showed flowed on	the I ando	o Chara Candon	

FT information, one of the world's leading

Inforum '96, our information open days.

fou'll be able to try out everything your business needs, with demonstrations of all

FT Information products including: FT EXTEL;

INTERACTIVE DATA, AFX NEWS, FT PROFILE,

FT DISCOVERY, BROADCAST MONITORING

COMPANY, FT BUSINESS RESEARCH CENTRE

Bring some questions with you and you will be

ible to take away the answers. There will also

Make a date for your diary, either Monday 25th

March from 12.00 to 6.00 or Tuesday 26th

farch from 9.00 to 3.00 - at our offices in

London. If you're in the information business

ight buffet and refreshments, with the

to win one of a dozen bottles of pink

and THE INFORMATION CENTRE.

The only surprising thing of underperformance. Over about Reckitt & Colman's fullpast two years property st have lagged behind the ma year figures was the effect they had on the share price. Profits of £285.1m were at the low end ton Estates and Land Se of expectations, and a few analysts were shaving current ties as a buy. British I year estimates. But the shares

jumped 34 to 655p. Reckitt has fallen almost a pound since the start of the year and dealers said any posi-tive signals were bound to squeeze up the price of the tightly traded stock.

Mirror Group gained 11 at 225p, in heavy turnover of 10m shares, after the newspaper group announced top of the range profits and, more significantly, a 2p rise in the Mirror's cover price. The price rise is expected to add film to the

current year profits. Leading conglomerate BTR shot forward in high volume following solid results and what traders described as a well managed meeting with analysts. The shares, which have lagged behind the market lately - trading within a 25p range since October - rose 131/4 to 3351/sp in 19m traded.

Williams Holdings declined 7 to 314p following "reduce" advice from NatWest Securities and a sell note from Williams

T&N closed off a penny at 159p after a big position in the stock changed hands. Turnover was 23m, including 3 9m bought deal which passed through at 153p and 153%p. Property sbares stayed out of favour, with most leaders movin brokers' research.

of underperformance. Over the	FUTURES A	ND OPT	TONS				
past two years property stocks have lagged behind the market	FT-SE 100 INDEX	FUTURES (L	JFFE) £25 p	er full inde	ex point		(APT)
by 26 per cent.  He rates British Land, Brix- ton Estates and Land Securi- ties as a buy. British Land	Open Mer 3640.0 Jun 3639.0 Sep  II FT-SIE MED 250 II	Sett price 3670.0 3685.0 3660.0 IDEX FUTUR	+38.5	High 3678.0 3673.5 210 per ful	Low 3633.0 3631.0	Est. vol 17434 13514 0	Open Int. 16816 53745 2363
eased a peuny to 380p and Land Securities closed unchanged at 603p, after 601p. BAA rose 10 to 529p after	Mar Jun III FT-SE 100 INDEX	4232.0 4248.0 OPTION (LIF	: - (*3673)	Σ10 per fu	di Index poi	O D int	1458 3422
technical analysts at UBS rated the airports group a chart buy. The shares have been given a push lately by strong traffic figures for February and talk of broker profits upgrades. Electronics giant GEC	C P C Mar 173 <sup>1</sup> 2 1 123 <sup>1</sup> 4 Apr 173 <sup>1</sup> 2 18 <sup>1</sup> 2 133 <sup>1</sup> 4 May 194 34 <sup>1</sup> 2 157 <sup>1</sup> 4	28 <sup>1</sup> 2 97 41 2 47 123 <sup>1</sup> 2 6 2 63 <sup>1</sup> 2 143 8 231 <sup>1</sup> 2 122	28 5 1 <sub>2</sub> 671 <sub>2</sub> 62 3 931 <sub>2</sub> 821 1 112 99	2 68 <sup>1</sup> 2 107 87 <sup>1</sup> 2 12 178 <sup>1</sup> 2 17	1 80 2 23 <sup>1</sup> 2 118 <sup>1</sup> 12 46 <sup>1</sup> 2 135 <sup>1</sup> 4 64 149 <sup>1</sup> 4	2 31 170 2 46 <sup>1</sup> 2 16 <sup>2</sup> 130 226	5 199 19 2081 <sub>2</sub> 31 2161 <sub>2</sub>
extended its recent rally. The shares have been a lively mar- ket lately on hopes of immi- nent management succession decisions are yesterday they added 11% at 255p for a three	Mer 195 1 145 Apr 198 17 154 May 212 <sup>1</sup> <sub>2</sub> 28 <sup>1</sup> <sub>2</sub> 174 Jun 234 47 198 <sup>1</sup>	25 116 <sup>1</sup> 2 3 39 138 5	3625 45 <sup>1</sup> 2 1 7 83 <sup>1</sup> 2 53 <sup>1</sup> 3 105 <sup>1</sup> 2 70 1 <sub>2</sub> 131 <sup>1</sup> 2 92 172 <sup>1</sup> 2 118	77 <sup>1</sup> 2 91	35 1041 54 117	2 19 <sup>1</sup> 2 138 <sup>1</sup> 35 <sup>1</sup> 2 148 <sup>2</sup> 2 55 163	2 10 178 <sup>1</sup> 2 2 22 184

TRADING VOLUME

Calls 5,213 Puts 7,192 " Und **MARKET REPORTERS:** Peter John. traded including a block of

**LONDON RECENT ISSUES: EQUITIES** Issue Amt price paid Mkt. Net Div. Grs P/E div. cov. yld net (Em.) 'uno High Low Stock

527 498 BZW Eq Birmids

2 2 (Capital & Westr

512 314 Clubhaus Wrss

812 534 Clubhaus

182 14 Freepages

143 106 (10C left

52 25 Life Offices PP

42 M & G Equity for

241 20 M & G Equity for

241 20 M & G Equity for

181 145 MacDonald Hote

71 66 (Cpulcal Carre & Green

253 281 Scharder UK G 1

253 197 Shree Pharms

154 125 Streamline

155 125 Streamline

175 Streamline

176 Streamline

178 187 Streamline

188 175 Streamline

188 175 Streamline 51.8 1.65 0.07 14.7 53.2 35.0 22.5 64.1 62.8 5.17 105.4 16.2 193.6 121.6 121.6 121.6 14 Treepages 106 TICC Intl 25 Life Offices PP 42 M & G Equity Inc 20 M & G Equity Cap 88 M & G Equity Div 145 MacDonald Hotels 66 †Optical Care (6) 241 Schroder UK, G Uta 197 Shre Pharms 123 Stadium Group

### ing lower in spite of a groundswell of value showing through The latest property note FT GOLD MINES INDEX comes from Panmure Gordon. Mar % chg Mar Year 13 on day 12 ago which gives the sector a neutral rating but draws attention to the scope for recovery in property stocks plus their 3114.32 +1.0 3084.99 2738.86 2577.31 -1.8 2624.26 2049.25 1980.73 +0.8 1964.53 1542.38 36.54 3553.86 2272.74 36.56 2927.34 1966.82 59.76 2186.39 1486.94 defensive qualities. Mr Michael Prew, Panmure analyst, said the sector's defensive attributes are undervalued after an extraordinary period FT - SE Actuaries Share Indices

	May 14	Day's	M= 12	Mar 12	Mor 11	Year	Oiv. vield%	Net	P/E	Xd adj	
	Mar 14									ytd	Return
FT-SE 100 FT-SE Mid 250	3881.8 4232.8	+1.1	3640.3 4229.9				4.03 3.48	2.11 1.72	14,74		1482.40
FT-SE Mid 250 ex Inv Trusts	4264.8	+0.1					3.60	1.77		40.89	1697.68
FT-SE-A 350	1847,9	+0.9	1831.3			1534.7	3.91	2.03		14.19	1522.57
FT-SE-A 350 Higher Yield	1814.1	+1.1	1794.9			1553.6	4.90	1.89	13.51	14.15	1240.31
FT-SE-A 350 Lower Yield	1888.7	+0.7		1862.8			2.89	2.28		14.28	1299,41
FT-SE SmallCap FT-SE SmallCap ex lay Trusts	2064.05		2058.33 2046.92				3.07	1.80	22.64		1675.14
FT-SE-A ALL-SHARE	2051.49 1826.73		1811.24				3.27 3.84	1.88	20.32	7.53 13.48	1673.71 1628.88
FT-SE Actuaries All				10.0-0-	142556	1014.00	0.2	2.02	.4.13	10.40	1020-00
		Day's				Year	Div.	Net	P/E	Xd adj.	Total
	Mar 14	chge%	Mar 13	Mar 12	Mar 11	ago	yleld%	COVE	radio	ytd	Flotum
10 MINERAL EXTRACTION(24)	3296.60	+1.0	3264.94	3227.03	3227.78	2666.32	3.93	1.51	21.08	22.58	1396.86
12 Extractive Industries(6)	4165.05		4147.32				3.82	2.39	13.68		121281
15 Oli, Integrated(3)	3331.37		3305.98				4.14	1.35		16.24	1444.20
16 Oil Exploration & Prod(15)	2338,84		2248.94		_		2.10	1,41	42.32	0.00	1388.25
20 GEN INDUSTRIALS(275)	2081.53		2064.89				4.03	1.87	16.55	a 01	1122.05
21 Building & Construction(34) 22 Building Matis & Mercha(29)	1132.69 1683.73		1132.10 1887.60				3.53	2.03	17.48 15.76	1,60 0.81	934.59 935.18
23 Chemicals(23)	2563.02		2558.78				3.91	1.99	16.06		1204.93
24 Diversified Industrials(21)	1806.17		1773,17				5.60	1.50	14,89	12.97	994.73
25 Electronic & Elect Equip(38)	2350.06		2308.12				3.07	1.82	22,40	2.78	1207.12
26 Engineering(70)	2352.04		2332.22				3.23	2.40	16.11	7.83	1412.62
27 Engineering, Vehicles(13) 28 Paper, Pcks & Printing(28)	2759.48 2696.81		2758.38 2699.36				3.83	1.65	19,72 16,47	0.23	1407.08
28 Paper, Policy & Printing(28) 29 Textiles & Apparei(19)	1476.26		1480.73				4.75	1,64	1201	7.42	889.82
30 CONSUMER GOODS(81)	3508.13		3453.17				3.99	1.86		12.24	1276.50
32 Alcoholic Beverages(9)	2788.70		2765.82				4.38	1.87	17.18	28.48	995.71
33 Food Producers(23)	2548.39		2541.93				4.21	1.75	17.01	4.90	1132.35
34 Household Goods(15)	2520.25		2436.10				3.92	2.08	15.35	3.66	947.60
36 Health Care(20)	1926.69		1924.67				2.71	1.82	25,43	5.11	1158.81
37 Pharmaceuticals(13) 38 Tobacco(1)	4936.08 4358.27		4824.26 4273.56				3.41 6.83	2.03	18.94 10.53	12.95	1652.73 1054.40
			2350.54				2.96	2.10		14.60	
40 SERVICES(253) 41 Distributors(32)	2361.18 2602.48		2625.42				3.77	1.84		7.45	1217.69 949.86
42 Leisure & Hotels(23)	2965.53		2913.07				2.81	2.16			1579.25
43 Media(46)	3920.61	+0.8	3889.11	3854.00	3843.88	2783,97	2.20	2.09			1409.08
44 Retailers, Food(15)	1899.07		1899.48				3.85	2.40	13.51	2.91	1190.93
45 Retailers, General(43)	1952.87 2959.05		1948.78 2968.63				3.04	2.21 2.08	18,60	5.73 15.93	1104.17
47 Breweries, Pube & Rest.(24) 48 Support Services(49)	2096.54		2091.25				2.32	2.52	21,35	3.85	1411.07 1321.67
49 Transport(21)	2388.16		2374.87				3.61	1.41	24,57	B.64	987.75
60 UTILITIES(33)	2446.41	+0.2	2440.83	2434.27	2457.57	2239.94	5.07	2.06	11,95	55.13	1038.13
62 Electricity(12) ·	2684.46	-0.1	2687.94	2695.82	2701.32	2129.84	5.18	2.60	9.30	187.11	1314.47
54 Gas Distribution(2)	1553.05		1549.85				7.72	1.37	11,84	0.00	779.18
86 Telecommunications(7)	2024.42		2018. <del>59</del> 2 2149.07 2				4.17 5.84	1.76 2.59	17.07 8.55	0.15 3.61	916.38 1173.42
98 Water(12)	1950.93		1935.94				3.83	1,81	17.03		
69 NON-FINANCIALS(696)											1464.39
70 FRANCIALS(108)	2779.23 3844.65		2743.84 2 3768.72 :				4.23 4.03	2.57 2.83	11,52 10,97		1188,67 1253,42
71 Sanks, Retail(8) 72 Banks, Merchant(6)	3386.45		3446.02				2.91	2.33			1056.71
73 Insurance(24)	1367.56	+1.9	1342.48	1350.52	1363.78	1225.67	5.71	3.07	7.13	21.77	1017.75
74 Life Assurance(6)	3536.71		3534.20				4.18	2.08			1440.86
77 Other Financial(23)	2481,23 1420.08		2492,44 2 1425,48				3.71 4.40	1.88 1.30	17.90 21.87		1407.65
79 Property(41)			3052.48				221	1.07		4.11	863.64
80 INVESTMENT TRUSTS(126)	3059.88		_						52,78		1062.76
89 FT-SE-A ALL-SHARE(900)	1826.73		1611.24 1				3.84	2.02	16.13		1528.88
FT-SE-A Fledging	1152.95 1157.98		1149.53 1 1154.63 1				2.95 3.22	2.18	18,38 16.51		1196.08
FT-SE-A Fledgling ex Inv Trusts	1107.93	70.3	1.34.03		140.31	<del>24</del> 7.1 1	322	235	10.01	4.85	1200.56

1138.8 4843.0 2143.0 1138.3 4851.8 2141.7 1138.3 4860.6 2144.4 3885.7 1138.3 4881.8 2156.6 3893.7

# Get vour business

Information

# needs

In focus

at

Inforum '96

Apply now for your personal invitation to

Inforum '96 the FT Information Open Days

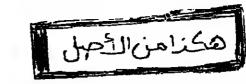


FINANCIAL TIMES

on Open Days.	Company
farch from 12.00 to 6,00 or	Company
th March from 9.00 to 3.00	
13 - 17 Epworth Street,	
4DL http://www.ft.com	

<u>Title</u>	Name	
Position		
Company	Name	
Company I	Address	
<u> </u>	Postcode	

2,800 8,700 10,000 10,000 10,000 10,000 10,000 10,000 11,0



Š	WARCH IS		WORLD STOCK MARK	/ETC		35
	### Low Yid P/E  Carloo 173.10 -2.00 181.20 282 3.5  Carloo 132 42 1.30 802 1.8	a/- Ma 1 a-	VORLD STOCK MARK	+/- High Law Yid TVE +/- High Los	• Yid P/E +/- Migh Love Yit P/E Solon	+/- (Bgb Law)
	Rushir 1795 - 36 2055 1 325 2.8 Conet 200.40 + 2.40 210 213 1.4 Conet 200.40 + 2.40 210 213 1.4 Conet 200.40 + 2.40 210 213 1.4 Conet 200.40 + 2.40 210 210 210 210 210 210 210 210 210 21	MatBlug 13.950 -45 14,400 16,260 0.5 - maguay filter 14 / K	## ## ## ## ## ## ## ## ## ## ## ## ##	514 -5 578 205	Tubanak   447	はは、 は、 は、 は、 は、 は、 は、 は、 は、 は、
	### TIRAL (Mar. 14 / Sch)	Allegs 13.329 +25 18.000 13.115 1.5 Beyond 13.18 Assistance 5,185 -180 7,800 48.000 Chests 5,185 -180 7,800 48.000 Chests 5,185 -180 7,800 48.000 Chests 10.00 Chests 6,500 Chests 10.00 C	125 27.50 1.9 India 57.50 1.9 India 57.50 1.0 India 5.0 I	514 - 5 578 225 HOURS	Tubamik 447	**************************************
	Sortine   15,250   -60   15,050   12,050   14,	<u>connannan</u>	Addally 235 17 248 169 0.8 Infroid 5 Author 1,000 171 171 507 18 Infroid 5 Author 1,000 171 171 507 18 Infroid 5 Author 1,000 171 171 507 18 Infroid 5 Infroid 7 Infroid 5 Infroid 7 Infro	400 _ 1.673 1.050 Sheep 2,400 -10 2,538 2.010	Asint 2,875 +160 3,890 2,000 2,8   755 580555 58165 775	Traftitita attitita attiti
	Section   Sect	## POSTAGE STA  ### Low YM PIE  ### Low YM PIE  ### Low YM PIE  ### POSTAGE STA  ### A POSTAGE STA  #### 1,800 = 20 3,715 1,810 25  ### Pissae 2,220 = 00 2,500 1,811 2 = 80,000 1,813 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Said-Hg 710 -3 842 550 12 . Report 1 156 -1 177 124 11 Related 1 156 -1 177 124 11 Related 1 156 -1 177 124 11 Related 1 1300 -6 1400 686 1.1 Roberts 1 1300 -6 1418 850 1.1 Roberts 1 1300 -6 1418 850 1.1 Roberts 1 1300 -6 1418 850 1.1 Roberts 1 1300 -6 1418 1 150	281 - 2 405 177	Colored   1,775   1,255   1,250   2,550   1,052,55	ి. కి. టి.ఎ.కి. మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మీ.మ
**	Amer A   7		-14 3.274 2.317 8 B PACIFIC Megila   -14 3.550 2.700   -15 3.4 3 9.201 9.075 4 3   -16 3.550 2.700   -17 3.4 9.201 9.075 4 3   -18 4 9.201 9.075 4   -18 4 9.201 9.075 4   -18 4 9.201 9.075 4   -18 4 9.201 9.075 4   -18 4 9	10   10   288   585	Simod 6.76 + 35 8.30 4.50 5.0 36452 Sherri 12:4  Traine 8.30 + 16 6.64 2.50 5.0 16422 Sherri 12:4  Traine 8.30 + 16 6.64 2.50 5.0 16422 Sherri 12:4  Teleton 2.20 + 50 2.01 1.50 8.05 1.1 1600 Sherri 16:4  Teleton 2.20 + 50 2.01 1.50 8.05 1.1 1600 Sherri 16:4  Teleton 2.20 + 50 2.01 1.50 8.55 1.1 1600 Sherri 16:4  Teleton 2.20 + 50 2.01 1.50 8.55 1.1 1600 Sherri 16:4  Teleton 10.80 + 20 11.50 8.55 1.1 1600 Sherri 16:4  Teleton 10.80 + 20 11.50 8.55 1.1 1600 Sherri 16:4  Teleton 10.80 + 10.80 10.40 0.1 16:4  Teleton 10.80 + 10.80 10.40 0.1 16:4  Teleton 10.80 + 10.80 10.40 1.1 16:4  Teleton 10.80 +	ALLEGACONSTRUCTORS OF THE PROPERTY OF THE PROP
	PRIMICE (A)(Mar 14 / Frs.)  FRANCE (A)(Mar 14 / Frs.)  FRANCE (A)(Mar 14 / Frs.)  FRANCE (A)(Mar 14 / Frs.)  146 +4.10 213.00 118.10 5.1  Accord 705 -4 726 521 3.0  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 47.70 +1.0 5.0  Alcid 577 +7 942 705 2.4  Alcid 5	Creptical 255.00 + .40 27.30 17 4.8	126 10 150 7 150 27	227 (84 476 — Younder 7700 +20 929 981 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		11 2.0
٠	Aurgentian	Septem	1441.00 13695   https://doi.org/10.371 103.73 103.93 100.09 (1447.95	07/95   65/96   (27/32)   Aux Fox 2 15 or 55 2.9 1.90   93.63   106.77   54.99   Aux Gu 2 15 or 55 2.9 1.90   93.63   106.77   54.99   Aux Gu 2 15 or 55 2.9 1.90   93.63   106.77   54.99   Aux Gu 2 15 or 55 2.9 1.90   93.63   106.70   10.90   10.90   93.63   106.70   10.90   10.90   93.63   10.90   10.90   10.90   93.64   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   10.90   10.90   93.65   10.90   93.65   10	17.7 3.0 Hybrid 22.000 + 20.0 Hybrid 20.0 1.7 Engine 2.2 4 1.2 1.2 1.3 3.0 1.7 1.3 1.3 1.2 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3	259
	FAZ Aldim(\$1/1253) 882.34 868.11 250.65 261.05 57.96 2818.70 303955 Consumbanic(1/1283) 250.63 261.25 250.65 261.05 27.05 1810.05 261.95 262.640 2425.38 250.65 261.05 27.05 1810.05 261.95 261.05 261	Sweden	S & P Ind. Div. yield   1.85   1.87	1.89 2.36   Next at a complete	## 15   54222 August   12   12   12   12   12   12   12   1	itest traded i 1960-len 1 Nedecial, ser Er Nedecial, ser Er Priced in US S. Jone Fennch ser pro-clone.  S SESTIVACIE or report of my or serve inchesing ing from conting ing from conting the Tree Trade, day, majoric to
•	Mar 1949.0 1964.0 +18.0 1965.0 1949.0 13,395 36,735 Apr 1951.0 1967.5 +19.5 1967.0 1949.0 132 5,165 Apr 1951.0 1967.5 +19.5 1967.0 1949.0 132 5,165 Apr 1951.0 2415.0 +3.0 2436.0 2418.0 26,733 Mar 2422.0 2415.0 +3.0 2436.0 2418.0 26,733 Juni 2434.0 2432.5 +3.5 2449.0 2432.0 17,576 Juni 2434.0 2432.5 +3.5 2449.0 2432.0 17,576 Maring - 600; Austria Prizote, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin Maring - 600; Austria Traded, BEL30, HEX Gen., MBS Gen., SSR520, CAC40, Bur Open Topin MBS Gen., SSR52	Apr 1477.00 1484.75 +8.75 1487.00 1473.25  ■ SOFFEX  Mer 3558.0 3578.1 +27.1 3586.0 2556.5  Apr 3552.0 3578.0 +29.0 3581.9 3551.0  se are 100 except- Australa All Ordinary and 100, ISEO Overalt Toronto Comp./Metala 0 + The DJ Incl. Index 0, ISEO Overalt Toronto Comp./Metala 0 + The DJ Incl. Index	5 348 2,618 Jun 18790.0 19840.0 +180.0 18840.0 19 Sep 19830.0 19890.0 +140.0 19890.0 19	830.0 1,015 10,381 Tree  Keisei El Rwy	led Prices on day Traded Price	on day 0 18 +2 0 -83 15 +15

......

### YORK STOCK EXCHANGE COMPOSITE PRICES

Chips Chips

- C -

| 179 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 3-3, 17, FAI Incur
16 134, FT DESTEIN A
26-2, 114, FADOCAMA
61, 5-4, FARSING
9-3, 6-4, FARSING
23-5, FAIR
23-6, FAI 

大学者 大学 大学の大学なる ち あん

情報 中 其外司法法院衛司 不好好 怕 五八八

经有约件 经存货行行

ď

好有 好 有非目的 经有时有效的的的的时间 好

- G

244 134 H30 Hcare
245 16 HC 14 ADR
215 17 HC 16 10½ tierweil 0.16 1.2 22 6 12½ Harbyo Fds 0.06 0.5 11 491 10 Harby Corp 0.34 3.1 13 153 17½ Harbyhes Sup 0.28 1.0 12 100 1 17 Haranan 14.65 59.5 21 3315 1 12½ tiert Mig C 0.38 2.3 17 79 2½ Harbyhes C 0.38 2.3 17 79 2½ Harbyhes C 0.38 2.3 17 8 192 8½ Hyperion x 0.54 6.3 83 134 137 1312 1373 1312 1114 1076 2716 2653 2516 2416 164 1653 576 646 1315 1075 2675 2458 1074 578 - 1 -

1477 the think the +12 142 1<sub>3</sub>

| The color of the

4 10 The state of the s -1<sub>8</sub> +1<sub>4</sub> \*\*\*\*\*

水水水水水 一大水水水 水水水水水水水水水 地名

\* \*\*\*\* \*\*\*\*\*\*

66°, 521, NCH Corp
64 46°, Nacco
35°, 221, NCH Corp
64 46°, Nacco
21 9°, Nacco
22 9°, Nacco
32 12°, Nacco
33 15°, Nacco
35°, Nacco

المام المام المعاومة المعاملة المعام المعام المعام

47 45<sup>1</sup>2 42 46<sup>5</sup>8 11<sup>1</sup>8 11 27<sup>3</sup>8 27<sup>3</sup>8 9<sup>3</sup>8 0<sup>1</sup>8 9<sup>3</sup>8 0<sup>1</sup>8 55<sup>1</sup>8 54<sup>1</sup>2 100 100 73 71<sup>1</sup>4 94<sup>3</sup>8 92<sup>1</sup>2 6<sup>1</sup>2 6<sup>1</sup>4 24 22<sup>3</sup>8

52<sup>1</sup>a 37 <sup>3</sup>a J Reer Pf 52 30 <sup>3</sup>a J Reer L x 13 <sup>3</sup>a 7 <sup>3</sup>a Jackott En 20 <sup>3</sup>a 17 <sup>4</sup>a Jackott En 10 <sup>1</sup>a 7 <sup>4</sup>a Jackott St 10 <sup>3</sup>a 7 <sup>4</sup>a Jackott St 10 <sup>3</sup>a 7 <sup>4</sup>a Jackott St 10 <sup>3</sup>a 50 <sup>4</sup>a Jackott St 10 <sup>3</sup>a 50 <sup>4</sup>a Jackott St 12 7 <sup>3</sup>a Jackott St 25 <sup>4</sup>a 1 Jackott St

5214 341g Piets
49 341g Piets
19 912 PS Group
152 131g Pac Am Inc
271g 144g Pac Scien x
221g 171g Pac Scien x
231g 171g Pac Scien x 254, 1814 RU Corp
12 812 RUCTINAM
1512 414 RES Resident
1512 415 Rescorp
1614 4212 Response
1614 1314 Response
1614 1314 Response
1614 1314 Response
1614 Re

古古古古古古古古古古古古古古古 - R -

11 % 15 ½ 16 ¼ 17 ½ 16 ¼ 13 % 18 ½ 48 

中华中华 人名英格兰人 医二种

| The color of the

1995/86 1898 Stock 1898 Lew Stock 18 - H -

76. FF Sa 5 8 100 Hgh 11 200 424 51 2795022 95 21 16 1027 704 10.540 673 215 10.5540 673 215 13 3020 354 40 105 205 147 40 105 205 147 40 105 205 147 40 105 205 147 40 105 205 147 12 23 9 72 257 1985/86 High Law Stock |
18th Law Stock |
18th St. Knest |
71 50½ Knithold |
13th St. Knest |
71 50½ Knithold |
13th St. Knest |
14th St. Knest |
13th St. Knes جا+ چو۔ +1 +1 +4 +4 

Cirgo Cisco Cirgo Cisco 14-14 6-14 0 H M Crp

32 16-12 Oath Indo

49-12 75 Calemond No. 0 36

25-14 18 Occup 1 1.00

32-14 16-75 Calemond No. 0 36

25-14 18 Occup 2 1.00

32-14 16-75 Oathood 1 2.50

63-12 47-75 Oathood 1 2.50

63-12 47-75 Oathood 1 2.50

63-12 47-75 Oathood 2 2.40

63-45 Oathood 3 2.50

63-15 Oathood 3 2.50

63-15 Oathood 3 2.60

63-15

\*\*\*\*\* 在外的是各种的 化克特利格勒拉格斯特格 经经有格的

在外面上海 1 在京外的外面的 人名西班牙 化大河南 的现在分词的现在分词

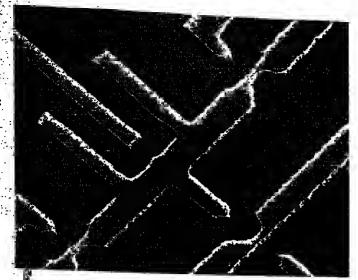
·- s -+14 124444444444444444

when you say with the in BRUSSELS FINANCIAL TIMES

JOLLY J HOTEL DU GRAND SABLON BRUSSELS

- B -

10% 6/4 BT ADR
10% 6/4 BT ADR
10% 13% 654m Ford
10% 13% 654m Ford
10% 15% 854m Ford



A single electron memory system has paved the way for dramatic progress in the semiconductor industry.

Hitachi. You're probably thinking of home electronics products. But take a closer look and you'll discover a company that's leading Europe in the development of advanced IT products and components – the unseen

essentials that shape our daily lives.

R & D is the lifeblood of Hitachi's enterprise. Such is its importance that we allocate around \$15 million each day to creating and refining the products that will shape the future.

34. When the SME majority ian state hold

Bezetton and

weer the stre

We have research and development centres in Cambridge and Dublin working on advanced electronic and optical devices and some

stunning new projects in Artificial Intelligence. Design groups in Munich and Milan are bursting with innovative ideas to meet personal and social needs.

A team of scientists from Hitachi Europe's Cambridge Laboratory working with Cambridge University's Cavendish Laboratory has succeeded in observing a new phenomenon called 'coherent destruction' which we are now working to

apply in superfast optical switching. Such switches will be needed to meet the future demand for

new technologies that will utilise advanced networks, such as multi-media,

interactive TV, videophone, visual e-mail and other forms of

A researcher inspects the helium-neon laser apparatus used to split laser light pulses at the Hitachi Cambridge Laboratory.

Elsewhere, Hitachi chip technology is at the heart of a new electronic cash system, the Mondex card, which is being tried out in Swindon, UK. The card uses Hitachi microprocessors which meet strict requirements of high security and reliability.

electronic data transfer.

In addition, we're manufacturing everything from semi-conductors, computer disk storage sub-systems, monitors,

audio and video tapes and TV's, to air-conditioning, power tools and construction machinery.

Our success has been built on the belief that the

company must contribute society through technologies that enrich the quality of life for all. And now, as these and other exciting IT developments take shape, you'll know exactly who to put them down to.



Electronic wallet and Mondex card,

HITACHI

Hitachi Europe Ltd., Whitebrook Park, Lower Cookham Road, Maidenhead, Berkshire St.6 8YA, U.K.

CeBIT 96
HANNOVER
14.—20. 03. 1996

Laboratory working with Car Laboratory has succeeded in called 'coherent destruction'

The next generation bullet train designed by Hitachi Design Groups in Europe.

4 pm close Mensh 1.s.

- R -

17 9109 13 123 123 123 032 8 119 163 174 163 374 66 844 4373 2 353 374

- T -

- U -

0.30 15 122 u28 27<sup>1</sup>4 20 +<sup>1</sup>6
119 1259 21 20 20<sup>1</sup>4 -<sup>1</sup>2
8 890 16<sup>5</sup>2 15<sup>1</sup>2 15<sup>1</sup>4
39 144 40<sup>1</sup>4 30<sup>1</sup>4 30<sup>1</sup>4 41<sup>2</sup>5
119 42 14<sup>1</sup>4 10<sup>1</sup>4 13<sup>1</sup>4 -<sup>1</sup>2
61 531 10<sup>5</sup>2 10<sup>3</sup>2 10<sup>3</sup>2
11 7624 11<sup>1</sup>4 11<sup>1</sup>5 11<sup>1</sup>5 +<sup>1</sup>5
0.38 8 605 22<sup>1</sup>4 22<sup>1</sup>2 22<sup>1</sup>2 -<sup>1</sup>4

- X - Y - Z 3115263 3512 3416 35 +14
2 403 1812 1614 1612 +12
4 2154 376 31 372
0.94 18 4237 11 1676 11 +14
2 22 148 672 672 672 473
73 73 7214 73

- W -

8 901 3 2%

113 396 17 16<sup>1</sup>2 17 20 3071 4<sup>1</sup>8 3<sup>7</sup>8 4<sup>1</sup>8 +<sup>1</sup>8

NASDAQ NATIONAL MARKET

4 pm close March 14

NYSE COMPOSITE PRICES

Gain the edge over your competitors by having the Financial Times delivered to your home or office every working day. Hand delivery services are available for all subscribers throughout

Cyprus subject to confirmation by the Distributor. Please call MK Media Link Services on (02) 36

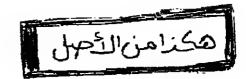
74 50 for more information.

Financial Times. World Business Newspaper.

DSC Cm 1514997 291<sub>2</sub> 277<sub>8</sub> 28 - 7<sub>6</sub>
Det Grou 0.72 7 23 57 844, 67 47
Detaffex 25 38 37<sub>9</sub> 35<sub>9</sub> 35<sub>9</sub> 47
Detaffex 25 38 37<sub>9</sub> 35<sub>9</sub> 37<sub>9</sub> 47
Detaffex 25 214 23 271<sub>8</sub> 29 29
Detaffe Ca 0.80 33 147 76 734, 741<sub>2</sub> - 11<sub>2</sub>
Detaffe Ca 0.80 33 147 76 734, 741<sub>2</sub> - 11<sub>2</sub>
Detaffe Ca 0.80 33 147 36 374<sub>9</sub> 24 24<sub>9</sub> 47<sub>9</sub>
Detaffe Ca 0.80 33 347 373, 313<sub>9</sub> 313<sub>9</sub>
Detaffe Ca 0.80 33 347 373, 313<sub>9</sub> 313<sub>9</sub>
Detaffe Ca 0.80 33 347 373, 313<sub>9</sub> 335
Detaffe Ca 0.80 33 347 373, 313<sub>9</sub> 335
Detaffe Ca 0.80 33 27 1236 401<sub>9</sub> 303<sub>9</sub> 335

JEJ Stack Jases Inc JE Ind x

Jones Med JSB Fin Jostin



# GUESS WHAT 300,000 INFLUENTIAL RUSSIANS GET UP TO EVERY FRIDAY.

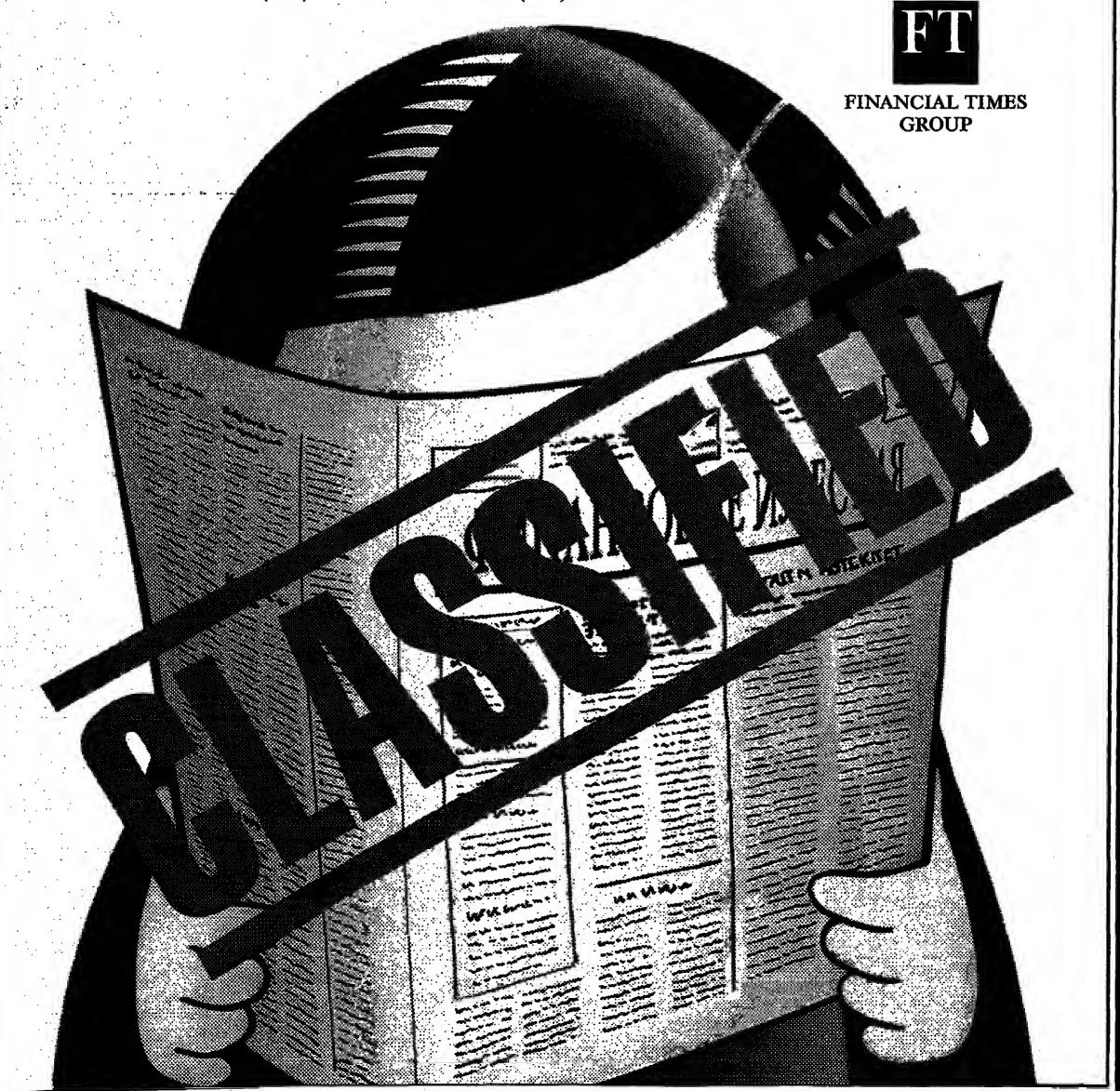
They bury themselves in the Classified Section of their Financial Izvestia.

As well as all the national and international news and the informed comment they find in Tuesday's and Thursday's Financial Izvestia, Friday's pink pages have an added attraction.

They hunt through the Appointments and Real Estate, weigh up Business Opportunities and Franchises, check out Travel and Tourism offers and what's coming up in Conferences and Exhibitions, Education and Executive Courses.

They are business minded people, so where better to talk to them about your business than in Financial Izvestia - their authoritative, Russian language business newspaper.

For more information about advertising in the Classified Section, call Universal Media Ltd. on (+44) 0171 935 2369 or fax (+44) 0171 935 1929.



# Stable US bonds give equities a lift

expose the tobacco industry to

component of the Dow. imped

on news that Mr Warren Buf-

fett, the renowned investor,

had received permission to increase his stake in the com-

pany from 10.2 per cent to 17 per cent. In early trading the

financial services group was

Computer-related technology

shares were mixed, but

strength in the biotechnology

sector helped the Nasdao com-

posite index to add 7.47 at

Among the rising btotech

stocks were Chiron, up \$4% at

\$112%, Genzyme, \$3 stronger at

\$71, Amgen, which gained \$153

at \$63%, and Biogen, \$2 dearer

In the computer related sec-

tor, Intel, the second largest

company on the Nasdag, put

on \$% at \$57, while several

other groups gave up some of

the gains made on Wednesday.

America Online, which had

sppreciated \$9% in the previous two sessions, slipped \$1%

Elsewhere, Monsanto, the US

huy back more than 8m shares and to restructure its executive

Among bigh-technology

In SAO PAULO the Bovespa

index had made 543.74 to 48.600

by midday. Analysts were expecting trading to remain unsettled on worries about the

formation of a parliamentary

investigative commission to

The request for an inquiry followed revelations that the

failed Banco Nacional had

managed to conceal a loss of R\$4.6bn over a 10-year period

by allegedly manipulating its

was up 20.48 at 2,885.41 as

The overall index was up 2.5

to 6,664.6, industrials lost 5.5

to 8,271.4 and golds gained

Among the gold mtners.

Driefontein Consolidated was

R2 stronger at R60.75, Free

State Consolidated Gold Mines

appreciated RI to R38.25 and

Vaal Reefs finished R10 ahead

moved forward R4 to R70.

22.2 at 1.796.3.

investors tracked the Dow.

MEXICO CITY'S IPC index

accounts.

S Africa unmoved by budget

Johannesburg was mixed, for today's futures close out.

look into the banking sector.

stocks, Hummingbird Commu-

nications rose C\$3% to C\$51%.

compensation programme. Noble Drilling rose \$% or 7 er cent to \$10% on news that it would huy the drilling

Canada

**Buenos Aires weaker** 

American Express, another

large future liabilities.

\$2% stronger at \$47.

at \$6814.

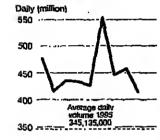
#### Wall Street

stable bond market helped US share prices to move ahead in midsession trading in spite of mixed news on the economic front, writes Lisa Bransten in

At 1 pm, the Dow Jones Industrial Average was up 44.07 at 5,612.79, the Standard & Poor's 500 had added 4.91 at 643.46 and the American SE composite was ahead 2.32 at 563.09. New York SE volume came to 276m shares.

Trading was expected to remain volatile yesterday as dealers unwound positions in advance of today's expiry of options and futures on shares and share indices.

US Treasury prices posted modest gains; data showing that inflation remained sub-dued was counterbalanced by a



1 4 S 6 7 8 11 12 13 14 March 1996

sign that employment was on the rise. The prodocer price index declined by 0.2 per cent in February, the Commerce Department sald, while the Labor Department reported that initial claims for unemployment benefits dropped by 10,000 last week.

A gain on the Dow came in spite of a sharp drop in the price of Philip Morris, the largest tobacco company in the US. Shares in Philip Morris fell \$6 or 6 per cent to \$92 on continued worries that a smaller smoking litigation suit could

The region's markets were

generally more confident as the US made good gains in

An exception was BUENOS

AIRES, where the Merval

index was off 1.88 at 505.62 by

midday. There were warnings

from analysts vesterday that

unless political infighting

between Mr Carlos Menem, the

president, and Mr Domingo

Carallo, his economy minister,

came to an end the market's

volatility would continue. On

Wednesday, Mr Menem met

the country's bankers to ask

them for lower interest rates.

industrials retracing earlier

gains to end marginally softer

in futures-related trade and

golds rising on a weaker rand. Analysts noted that Wednes-

day's budget had little carry over effect, with a reduction in

the secondary tax on compa-

nies and in the marketable

securities tax having been

market was preparing Itself

midsession trade.

# Nedlloyd rises 11% on offshore drilling disposal

Nedlloyd climbed 11 per cent in AMSTERDAM, on the shipping and transport group's sale of its offshore drilling division to a US company. The shares soared Fl 3.90 to Fl 39.60.

Brokers welcomed the deal, saying Nedlloyd had obtained a good price for its division as it pursued its intention to concentrate on core activities. The AEX index was boosted by strength in neighbouring

and overseas markets, particu-larly the US, firming 4.97 to a new closing high of 520,55.

Ballast Nedam, the building and dredging gronp, ross Fl 1.40 to Fl 74.50; after the

close it said it expected a gradual rise in profits this year. Fokker, said to be preparing an announcement at 10 am today on whether it would file for bankruptcy, gained 25 cents

FRANKFURT traded quietly, turnover falling from DM10bn to DM6.7bn, although the Dax index closed 15.46 higher at an Ibis-indicated 2,432.46. The best performing shares

included two retailers, Karstadt and Douglas, although Kaufhof and Asko were suspended as terms of the Metro merger came out. The statement indicated that both Kaufhof and Asko were being valued at more than

their current equity capitalisations but that, relatively speaking, the more highly considered Kaufhof was getting the thin end of the deal. "If Asko's

13,00 14,00 15.00 Class FT-SE Eurotrack 100 1574.62 1575.56 1576.69 1576.69 1576.49 1578.16 1578.95 1580.06 FT-SE Eurotrack 200 1648.27 1647.35 1648.35 1649.51 1650.58 1651.17 1653.78 1653.04 Mar 11 Mar 6 1582.57 1587.72 1542.34 1662.90

shara price on Wednesday, DM780, was at the right level," said one UK analyst, "then Kaufnof, at DM476.60, is being offered the equivalent of DM385.1

FT-SE Actuaries Share Indices

Chemicals starred again, Hoechst adding DM7.85 at DM473.50 on optimism about 1996, and BASF rising another DM5.90 to DM389.50.

Meanwhile, the CeBIT computer trade fair in Hanover

helped SAP prefs, up a further DM4.10 at DM218.10, to a 7.6 per cent gain since Monday. PARIS was husy in the financials and banks as the CAC-40 index put on 18.11 or 1 per cent at 1,962.41. Turnover

was FFr3.8bn. BNP rose FFr6.30 to FFr193.40 on a 1995 net profits gain of 8 per cent, and AGF, the state owned insurer, by FFT4.10 to FFT146 on a 23 per cent profits lift and its aim to improve efficiency this year. Separately, the government repeated its intention to privatise the group during the course of the year. Elsewhere, Société Générale firmed FFr2 to FFr550 as its 1995 figures came in within expectations.

Accor, the hotels group, was one of the few losers, off FFr4 at FFr708 after disappointing the market with lower than

expected 1995 profits.
MILAN erased early losses to close marginally higher on the back of Wall Street and the steady lira. The Comit index lost 2.94 at 588.06 hut the realtime Mibtel index finished 12 higher at 9,429.

SME jumped L105 or 6.6 per cent to L1,705 as trading resumed after Wednesday's suspension. The supermarket groop's major shareholder, Schema 21, a holding company owned by, among others, the Benetton family's Edizone Holding, said that it had launched an offer for the 36 per cent of SME's shares in circulation at L1,750 a share.

Benetton dropped L935 to L15,885, taking the decline since the start of the week to 14 per cent. Analysts said that the SME offer had raised concerns that Benetton might be heading for a cash call; and

**EUROPEAN EQUITIES TURNOVER** Monthly total in local currencies (bn) 129.54 121.73 213.09 178.69 55,076 209.73 230.49 136.20 35,520 41.20 28.91 55,220 33.80 29.98 \$4,20 41.59 1,218.9 57.20 41.00 2,050.40 158,40 33,42

Domestic turnover on Europe's equity markets in February fell hy 9.2 per cent from January's record level, hnt husiness was still up by a striking 41.4 per cent from February, 1995. Switzerland and Germany led the way down with turnover declines of 29.3 and 22.5 per cent, following gains of 86 per cent and 46.9 per cent respectively a month before; share prices here moved in opposite directions, with the Swiss index up 2.7 per cent and the German 0.3 per cent down. Mr James Cornish of NatWest Securities, which produces the figures, notes that Swiss turnover on London's Seaq International, the screen based trading system, fell by only 16.2 per cent, suggesting that the index gain was mainly due to international buying, perhaps in reaction to the correction in Germany.

that a legal wrangle with Bulova, the watchmaker, to be heard in a Dutch court before the end of the month, could cost Benetton 1.50bn if it lost. Olivetti tumbled to a low of L713 on continuing worries about its personal computer

operation, but picked up to fin-ish L10.3 off at L760 after the

managing director said that the company aimed to consolidate its European market posi tion but did not plan to cut prices to do so.

ZURICH was pulled higher by industrials and insurers supported by the interest rate outlook, and the SMI index finished 20.1 ahead at 3,547.

on foreign buying and Winter-thur picked up SFr13 to SFr797 both beneficiaries of switching from Ciba and Sandoz.

Alusuisse spurted SFr24 to SFr1.012, having broken through resistance at SF1975. Swiss Re added SFr26 at SFr1,225 as the insurer embarked on a US roadshow. STOCKHOLM saw a 1.1 per

cent gain in pharmaceuticals. Astra A rising SKr4 to SKr302 as the Affärsvärlden General index put on 10.9 at 1,881.0. But its COPENHAGEN counter part. Novo Nordisk, took another beating, falling DKr10 to DKr743 as the KFX index eased 0.02 to 109.70. East Asiatic, with results only slightly below analysts' expectations, fell DKr3 to DKr112.

BUDAPEST rose strongly on the likely approval of an IMF standby loan, the BUX index gaining 64.47 at 2,348.55. The IMF was expected to approve the Hungary loan today, while the OECD was expected to make a decision about the country's membership at the end of the month.

ISTANBUL firmed by 2.7 per cent, with selective demand seen in a number of stocks. The composite index made 1,684.73 to 63,850.05, as turn-over jumped to TL14,610bn from Wednesday's TL10,730bn.

Written and edited by William Cochrane, Michael Morgan and

#### chemicals group, added \$6% or 4 per cent at \$1511 after the company announced a plan to

**ASIA PACIFIC** 

# Nikkei up 1% on rebound in banks, high-tech stocks

### operations of Nedlloyd, the Dutch conglomerate, for \$300m.

A rebound in banks and hightechnology stocks supported Toronto rose in early trade, supported by the US producer the market and the Nikkel average gained I per cent, writes Emiko Terazono in prices data that boosted North American bond markets, and

by low domestic inflation fig-The 225-share index, which reached a new low for the year on Wednesday, closed 188.96 up at the day's high of 19,923.66 ures, The TSE 300 index was 24.94 up by noon at 4,973.70 in volume of 34.8m shares. Seagram initially slipped on after an initial dip to 19,708.59. fourth-quarter earnings figures Shares firmed in the afternoon but, by midday, the shares had on position adjustment buying and technical activity.
Volume was 350m shares, picked up from a low of C\$44% to trade C31/4 higher at C\$16.

against 428m. The Topix index of all first section stocks rose 9.77 to 1,533.89 and the Nikkei 300 by 2.14 to 286.68. Gainers led losers by 548 to 458, with

In London the ISE/Nikkei 50 index put on 1.28 at 1.338.84. The Wall Street rally in semiconductor related issues on Wednesday prompted purchases in the sector by foreign investors; it also lifted other sectors, including bank stocks, which had been sold on the uncertainty over the government's housing loan liquida-

tion plan. Keisei Electric Railway was the most active issue, adding Y90 at Y1,120 on reports that its subsidiary Oriental Land, which runs Tokyo Disneyland, would list on the Tokyo stock exchange later in the year. Analysts said Oriental Land stocks could be sold at about Y10,000 a share, boosting the

parent company's profits. Excitement over Oriental Land spread to other real estate companies. Mitsni Fudosan, the largest shareholder in Oriental Land, rose Y60 to Y1,260, Mitsuhishi Estate by Y30 to Y1,310 and Sumitomo Realty and Develop-

ment by Y33 to Y761. Hokuriku Seiyaku, a medium sized drugs company in west-ern Japan, firmed Y20 to Y2,010. After the close the comat R374. Palabora Mining pany announced that Knoll, a subsidiary of BASF, of Ger-

many, would acquire a major stake. Knoll planned to acquire 50 per cent of Hokuriku and would buy its stake from shareholders at Y1,450 per

Banks firmed on position adjustments. Industrial Bank of Japan gained Y50 at Y2,730 and Sumitomo Bank was ahead Y40 at Y2.040. Among the high-technology

stocks, Toshiba moved up Y5 to Y765 and NEC Y20 to Y1,140. In Osaka, the OSE average rose 45.15 to 21,005.89 in volume of 304m shares. Nintendo, the video game company, which was sold heavily on recent reports that it would delay the launch of its 64-bit next generation game, recovered Y290 to Y6,480.

#### Roundup

Late bargain hunting took HONG KONG up 2 per cent after recent hefty losses over the Taiwan situation. The Hang Seng index jumped 202.27 to 10,451.75 but turnover 5lipped further to a slim HK\$4.4bn.

Defensive stocks, including the banks and utilities, per formed strongly. HSBC, which plummeted HK\$5 on Wednes day, recouped HK\$3 at HK\$115, while Hang Seng Bank rose HK\$2.25 to HK\$74.25 and Hong Kong Telecom 45 cents to HK\$14.80.

Property issues also strengthened in the afternoon. Henderson Land advanced HK\$1.50 to HK\$52, as did Sun Hung Kai Properties, to HK\$65.75, and Cheung Kong

put on 80 cents at HK\$50.50. **KUALA LUMPUR was 2.2 per** cent ahead on bargain hunting in hlue chips in a technical bounce after heavy losses earlier in the week. The composite index rallied 34.17 to 1,109.00. SINGAPORE recovered 1.3

per cent after the recent weak spell, although many institutional investors were sidelined ahead of further US economic data this week. The Straits Times Industrial index ended 28.85 up at 2,329.58 in volume of 105.5m shares.

Resurgent property stocks included Parkway Holdings and City Developments, each up 20 cents to \$\$3.68 and S\$11.20 respectively. DBS Land, however, softened 5 cents to S\$5 on growing worries about earnings figures doe at the weekend

SEOUL again pinned Its hopes on intervention today by the stock market stabilisation fund. The composite index ended 5.56 higher at 844.43.

The Korea Securities Dealers had agreed to ask the Finance

LIFFE EQUITY OPTIONS

Ministry to intervene to boost the market with the fund, while promising to refrain from selling shares.

Hansol companies regained some ground after being hit by an alleged bribery scandal involving a Hansol executive. TAIPEI saw the government's stock market stabilisation fund in action again, and the weighted index finished 100.57 or 2.1 per cent ahead at 4,851.65. Turnover was modest

at T\$28.7bn. Brokers said that investors were beginning to believe that the current tensions between Taiwan and China would be

resolved peacefully.

BANGKOK recovered most of Wednesday's decline as the SET index advanced 16.19 or 1.3 per cent to 1,263.98. Turnover came to Bt5.2bn.

Dealers felt that the gain had

come after domestic mutual funds indulged in speculative purchasing of discounted blue chips. Total net buying by local mutual funds on Wednesday amounted to about Bt250m. Banks and finance issues were the favourites yesterday, with Finance One the most active issue in terms of value, up Bt4 at Bt141.

WELLINGTON continued to ses heavy turnover in Fletcher Challenge, 6 cents higher at dance at the bourse low.

index put on 9.15 at 2,090.27. Turnover was NZ\$100m.

JAKARTA noted speculative buying in second line stocks on rumours of possible takeover activity. The composite index closed 9.78 or 1.7 per cent up at 569.91.

Among the second line issues, Super Mitory Utama, a shoe manufacturer, leapt Rp550 to Rp1,400 on reports that it was about to make a bid for an

unnamed company.

• KARACHI suspended activity for the session because of a strike by the Mohajir National Movement which kept atten-

#### LONDON EQUITIES

00800			Cath			Puts	- Oct	Option		Nov	- Calls		May			Other Fixed Interest
ASDA	100	84	10	12%	- 2		- 8	Grand Met	420	23	31%	38%	96	18	_	Mineral Extraction
104%)	110	TV	2	8		9	-	(*42814)	460	7	13%	21%			46	Consumer Goods
ded Domecq		41 %	47	55	14	8		Baltyness	450	15	261/2	32%			-	Services
(96%)	500	14%	22 25	33	13	26 11		(*466)	500	3	111/2	16%	46	48%	51%	Financials
70 <b>6</b> 1475)	300 330	107	10	38 154	174	28	19 31%	Hanson	180	18	79	22%		5	ġ	Investment Trusts
1	500	3414	43%	52	2			(*1921/1)	200	51/2	9	13		15	19	Others
	550	514	1514	25	23	321:	37	L39000 (**182%)	180	141 <del>1</del>	184	23 147 <sub>2</sub>		1235	13%	Totals
1	700 750	1412	32%	77%	24 19	13%	20% 42	Ladbroke	180	10	23%	261/2	10	14	16	Data based on those companies fated on the London Share Service.
•	550	6214	50°	66	12	- ž	1214	(788)	200	84	14%	19		25%	274	
	<i>8</i> 00	1414	26h	25	12	Z	3D:	Lucas Inds	183	18	2177	244	34	7	10	and the second second second
Ŋ3	500 550	7812 714	18%	541/2 271/2	27	12 35	17 41	(*192!+)	200		11%	14%	13	1614	20%	TRADITIONAL OPTIONS
	500	50%	57%	60%	74	<b>5</b>		P& 0 (*51914)	500	25	35	394	19	58%	35 68	First Dealings Mar 4 Explry
	950	12	24	33	12	22	27%	PERMITON	191	2116	794	2077	11%	5h	00	Last Dealings Mar 15 Settlement
	160	8%	14%	18	35	10%		(209)	210	9	15	_	0	1314	_	Cells: Blacka Leisure, Caspian, Dana Expl. Radius, Smitt
n a	200 460	2 21	5 34%	7h	15%	2314	25 274	Prudential	430	29%	40	40	gr	16%	22%	BAT Inda, SCS Satellite Comm, Zeneca.
-	500	514	20%	30	35%	45%	51	(*44675)	460	8%	20	27	31	374	431/2	
ion	550	304	47%	54	34	125:	22	MZ	900	411/2	65	761/2	19	364	335	LANDAN PEACHT ISSUES. TOUTER
3	600	6	21	28%	29	¥	4777	(*917%)	950	17	35	20	42	52	57h	LONDON RECENT ISSUES: EQUITIES
	420 460	19 27	201/2 341	31%	335	21% 48	501% 501%	Regizand (#4151e)	390 420	33	37h	42%	10 25	16 31	20%	lesue Amt Mid. Close price paid cap 1985/96 price
	800	25	524	68	17%	304	419	(*415):-1 Rote-Royce	200	16	21%	27h	23 5	11 21	35% 11h	price paid cap 1995/196 price p up (Cm.) High Low Stock p
	850	10	30	464	51%	594	70	(211/2)	220	5	12	19	16	18h	Z	- F.P. 51.8 527 498 BZW Eq (Brinda) 518
	950	42	66%	56	24	41	55	Tessoo	260	19	2314	27/1	514	814	14%	- F.P. 1.55 2 2 †Capital & Westin 2
	1000 900	4117	66%	52h	1116	225	3502	(*275)	280	71/2	134	174	15%	19	244	- F.P. 0.07 6 <sup>1</sup> 2 3 <sup>1</sup> 4 Clubhaus Wrts 3 <sup>1</sup> 4 7.5 F.P. 14.7 8 <sup>1</sup> 2 5 <sup>2</sup> 4 Clubhaus 9
	950	15	23	53	341	45	595	Uto Biscuita	220	16	21	25	7	10%	14	7,5 F.P. 14.7 8 <sup>1</sup> 2 5 <sup>3</sup> 4 Clubhaus 9 13 F.P. 53.2 16 <sup>1</sup> 2 14 †Freepoges 14 <sup>1</sup> 2
	500	34	42	517/2	5	15	21	(*232)4)	240	672	12	15	19	21%	3	- F.P. 35.0 143 108 10C intl 143
	550	575	17%	271/2	3414	41%	47	Vocatorie (7252)	340 260	20 9	27 16%	25	15%	12%	16 25%	100 F.P. 22.6 52 25 Life Offices PP 52 - F.P. 64.1 43 42 M & G Equity Inc 4212
	600 650	13%	2Z\/	271/2	47%	25 53	2614	Williams	300	19	21	×	7	-	13	- F.P. 62.8 2412 20 M & G Equity Cop 21
	420	154	23	29%	0	14%	18	(*313)	330	4	74	10%	27	27%	31	- F.P. 5.17 82 88 M & G Equity Oil 90
	460	1	61/2	1234	32	40	42%	Option		Mar	Je.	Sep	Mar	Jan	Sep	145 F.P. 105.4 161 145 MacDonald Hotels 180 - F.P. 16.2 71 65 †Optical Care (B) 70
	800 630	33 5%	27%	61 36%	- 6 33	15 436	27	Abbey Nati	500	42	57%	80 H		8	13	- F.P. 1839 250 241 Schroder UK G Uts 242
-	300 300	20	32%	30Y	33 8%	23	250	("542"4)	950	4%	251/2	361	11	2	33	175 F.P. 121.8 223 197 Shire Phentrs, 200 120 F.P. 34.4 125 123 Stadtum Group 125
-	30	41/2	121	1872	4172	54	55n	Atostrad	180	18%	26	32	-	4%	8	180 F.P. 108.5 188 175 Streemine 175
	W	20%	41%	5612	1912	\$3%	42	(71984)	200	3	144	21	5	13	17%	185 F.P. 106.3 231 218 Visual Action 331
	750 330	5 24	2011/2 541/4	33 41	3%	64 10%	71 10	Barckays	700	10%	34%	47%	6% 49	24%	35 84	† Atternative Investment Merket. For a full explanation of all other symt Share Service notes.
	350	7%	13	25	15%	24%	30%	C7011 Blue Circle	750 330	13	20	276	49	15	7814	
	360	19	25	31	3	11%	14%	(*342)	360	¥,	7%	1472	18%	33	364	RIGHTS OFFERS
	390	4	10	17	10	28%	31%	Brillich Gas	220	13	174	1912	-	8	100	Issue Amount Latest
19.	800 650	10	491/ <sub>2</sub>	57% 29%	5% 32%	13 38	22 45	(232m)	347	1	814	10	8	19%	214	price paid Renun. 1895/96
ı A	65Q	3477	O/A	6114	6	17	25	Dispres	420	35%	55	57	7	7h 22	14	p up clate High Low Stock
	700	81/2	25	35),	30	41%	49%	(°458) Forte	460 343	94	12	33 27	- ;	34	30, 8	185 Nri 19/3 33pm 28pm Headlam 155 Nr 9/4 37pm 12pm Persymmon
	55() 65()	77V	86 95	72%	25	23%	30% 55	(*350)	373	-	24:	4	23	2314	34	155 Net 9/4 37pm 12pm Persymmon pm premium.
	330	11	22	28	7	15%	19	Hillsdown	180	2%	7%	15	2	11%	14%	
	350	1#	84	15	27%	3314	35	(*180%)	200	-	11/2	4	1914	34	29	
•	550 900	16 2	24 64	21 %	11	66	32)2 57 m	Libyds158 (*305%)	292 322	14%	113-	-	7	7 22%	-	ENAMOIAL MILES TO THE PARTY OF
	45	4	4	4	40.0	-	-	Lantho	200	- 6	18	22	"	736 776	10%	FINANCIAL TIMES EQUITY INDICES
	50	1/2	Ū/z	1/2	2	114	2	(*207)	220	-	3	12%	13	18	21	Mar 14 Mar 13 Mar 12 Mer 11 Mar 8
	1200 1250	41 13%	56 32	76 49	17% 50	38% 57	35 675	Nati Power	460	8%	25	<b>29</b> 77	_ 3	19	25	Ordinary Share 2758.2 2738.6 2729.9 2746.9 2760.0 Ord. div. yield 3.92 3.95 3.96 3.94 3.91
	1238) 1400	36 401	32 784	9414	50 45	72	62/2	(*464%)	,500 	_	15	13%	354	45	51	Ord, div. yield 3.92 3.95 3.96 3.94 3.9: P/E ratio net. 16.61 16.50 16.46 16.56 18.69
	1450	194	56	734		102%		Scut Power (*350%)	360	21 1	30%	35% 15	10	5% 18	10 265	P/E ratio nil 16.28 16.16 16.13 16.23 16.33
		-	_=		Neg-	_:		Sears	96	_		11%	-	3	3	Ordinary Share Index since compliation: high 2607.9 5/03/96; low 49.
	950	36	-	-	- K	-	-	(198H)	100	1	44	9	2	6%	8	Ordinary Share hourly changes
•	1000	_3	-	-	<u>ج</u>	, ,	- Her	1armac	115	74	11	14%	-	5	5	Open 0.00 10.00 11.00 12.00 13.00 14.00 15.
_		-	<del>- 4</del>	Hor	_	200	Nov	(*117) Thora 840	120 1600	1 394	<b>£</b>	9% 120	415	10% 38	13	2740.A 2739.0 2743.1 2744.0 2760.5 2752.5 2751.9 275
	500 550	21 51/2	32 15%	40 224	23 584	291÷	35% 67%	(1632%)	1600 1700			120 767	67%		1181:	Mar 14 Mer 13 Mar 12 Mar
	330		1617	20	11	164	20	Tomicos				28%	-	3%	. 104 B	SEAO bergains 38,957 35,443 35,620 4
	360	1	6	g	36	3675	391/2	<u>የ25</u> ሽ	260	2	12	18%	5	15	174	Equity turnover (201)† - 1651.7 1641.5 1 Equity bergeles† - 39,842 40,574 4
	850 850	56 27%	13 15%	97% 71	17 39	30 53	28% 61%	Ophor		Mar	-		KZ.	)mi		Shares traded (milit 686.1 572.3
,	330	30	37	36	2	8%	11%	Pisons	260	792	7	-	*	5	-	TEXADURING INFO-market business and overseas turnover.
	360	15		214		22	25%	(589)	290	<u>%</u>	ľΥ		15	19%	_:	FT-SE AIM Mar 14 Mar 13 Mar 12 Mar 11 Mar 8 968.33 967.72 968.39 965.68 978.0
C)	500 550	214 4h	35 15%	42% 21%	17 50%	22% 54	29 52%	* Underlying	500	atty p	rice.	Presis	ume e	Shown	450	For 1995/96.
	360	17	24			18	54	March 14	-93 O T	MIT P	nçes.					
HZ:	200		4842	454	200	2007	-	4-						"		

#### (384%) 390 5 10% 15% 35% 38% 38 options: 47,527 Celler 23,319 Pure: 24,208 FT GOLD MINES INDEX Mar % chy Mar Year 13 on day 12 ago 9114.32 +1.0 3094.99 2738.86 273 2577.31 -18 2824.28 2049.25 2.46 1960.73 +0.8 1984.53 1542.38 0.68 38.54 3553.86 2272.74 38.56 2327.34 1986.82 59.76 2186.39 1488.84

## 359 51 871 513 1483

ITIONAL OPTIONS Mar 4 Mar 15

price	Artit	CSD	1995	/DA		price		Net	- The	~	P/E
P	цф	(CITL)	High	Low	Stock	p_	+/-		COV.	Grs	net
	F.P.	51,8	527	498	BZW Eq (Brinds)	518					_
-	F.P.	1.55	2	2	Capital & Water	2		-	-	-	
-	F.P.	0.07	512	34	Clubhaus Wrts	34		_	-	_	
7,5	F.P.	14.7	812	534	Clubhaus	ġ		₩-	-	~	11.
13		53.2	1612	14	†Freepages	1412		-	-	-	
-	F.P.	35.0	143		HOC Inti	143	+		_	-	
100	F.P.	22.6	52	25	Lite Offices PP	52		-	-	-	
-	F.P.	64.1	43	42	M & G Equity Inc	4212	ولاء	-	-	_	
-	F.P.	82.8	2412	20	M & G Equity Cap	21	+15	_	_	_	
-	F.P.	5.17	92	88	M & G Squity Div	90	+1	-	-	_	
145	F.P.	105,4	161	145	MacDonald Hotels	180		FWW D	23	2.8	19.6
-	F.P.	16.2	71	65	†Optical Care (B)	70					
-	F.P.	183.9	250	241	Schroder UK G Uts	242		_	-	_	
175	F.P.	121.8	223	197	Shire Phants	200		-	-	_	*
120	F.P.	34,4	125	123	Stadium Group	125		Lv3 6	3.1	3.8	i.
180	F.P.	108.5	188		Streamine	175		Wv7.7	1.7	5.5	13.
185	F.P.	105.3	231	218	Visual Action	331	41	FN4.7	29	25	16.5
† Atterna	ative in	vestment natus.	Market.		full traplametion of the		rbots				andor

S OFFERS price p +or-

CIAL TIMES EQUITY INDICES Mar 14 Mar 13 Mar 12 Mar 11 Mar 8 Yr ago

2758.2 2738.6 2729.8 2746.8 2760.0 2371.5 2807.9 2238.3 3.92 3.95 3.96 3.94 3.91 4.47 4.73 3.76 16.61 16.50 16.46 16.56 18.65 16.51 21.33 15.35 16.28 16.16 16.13 16.23 16.32 15.16 22.21 16.17 0.00 10.00 11.00 12.00 13.00 14.00 15.00 16.00 High Low 739.0 2743.1 2744.0 2760.5 2752.5 2751.9 2752.2 2753.7 2758.2 2735.3 Mar 14 Mar 13 Mar 12 Mar 11 Mar 8 Yr ogo 35,443 35,520 40,381 1651.7 7641.5 1651.6 39,842 40,574 46,241 666.1 572.3 574.2 36,957

Mar 14 Mar 13 Mer 12 Mar 11 Mar 8 Yr ago "High "Low 988.33 967.72 988.39 965.68 978.04 - 1054.62 985.65

**Les Echos** 

The FT can help you reach additional business readers in France.

Our link with the French business newspaper, Las Echos, gives you a unique recruitment advertising opportunity to capitalise on the FT's European readership and to further target the French business world.

For information on rates and further details please selephone:

Toby Finden-Crofts on +44 171 873 3456

## FT/S&P ACTUARIES WORLD INDICES

REGIONAL MARKETS -	WEDNESDAY MARCH 13 1996									TUESDAY	MARCH		XZIONI RALIOO			
Figures in parentheses	US	Day's	Pound			Local	Local	Gross	US	Pound			Local			Year
thow number of lines	Dollar	Change	Sterling	Yen	DA1	Currency		Div.	Dollar	Sterling	Yen			52 week !		
of stock	Index	<u>~</u>	Index	Inde	Index	Index	on day	Yleid	Index	Index	Index	Index	Index	High	LOW	(appro
Australia (811,		-0.5	190.41	130.24	149.72		0.9	4.07	198.74	191.90	131.38	151.43		202.74	158.79	
łusnia (24)	181.41	1.1	176.54	120 75	138.81	138.67	0.5	1.63	179.50	175.08	119.87	138.19	138.01	199.28	165.11	188.
Seleum (33)	209.26	8.0	203 65	139 29	160,12	156.10	0.1	3.46	207.93	202.81	138.85	160.04	156,10	215,81	174.36	175
Brazid (23)		1.1	146.13	99.95	114.90	272.56	1.4	1 77	148.46		99.14	114.26			104.99	104
Carada (101)		-0.1	151,14	103.37	118.84	153.79	0.0	2.45	155.42	151.59	103.79	119.62	153.76	158.71	128.39	128
Den-nark (331		0.4	286.95	196_27	225 62		-0.1	1.68	293 66		198.11	226.03			252.41	
Finland (24)		0.5	180.73	123.62	142.11	178.64	0.5	2.51	184.12	179.59	122.95	141,72			171.13	
France (99)		1.1	180.87	123,71	142.21	147.03	0.9	3.13	183.67	179.35	122.79	141,52		191.17	181.53	
Germany (60)		0.1	164.73	112.67	129 52		-0.5	1.89	169.06		112.90	130,12			142.25	
Hong Nong (59)		-3.1	391 73	267.93	308.01	399.51	-3.1	3.59	415.45	405.23	277.44	319.77			323.87	
reland (16)		1.3	251.48	172.01	197.74		0.0	3.48	255.19	248.89	170.40	196.40			205.44	
taly (59)	. 73.73	-0.5	71.42	48.85	56.15		0.0	1.75	73.72	71.90	49.23	56.74			65.45	
Japan (482)		-0.5	141.88	97.04	111.56		8.0-	0.79	146.45		97.80	112.72			137,75	
Maleysia (107)		-1.3	510.26	349.00	401.20		-1.4	1.66	531.36		354.84	408.98			425.77	
Aeuca (18)		1.8	1063.48	727.39	836.18		1.8	1,53	1072.61	1046.21	718.28	825,58			681.51	
Notherland (19).	220 51	1.4	272.01	186,05	213.87		0.6	3.28	275.74	268.95	184.14	212.23			228.30	
Vew Jealand (13)		-1.4	77.73	53.17	61.12		~1,3	4.60	80.97	76.98	54.07	62.32			72,39	
Vorway (33)		0.8	231.57	156.39	182.98		00	2 42	236.56	230.78	157.99	182,10	206.71	243.79	205.04	
Singapora (44)		-1.3	413.53	282 84	325.14		~1.4	1 45	430.62		287.57	331.44			346.10	
South Africa (45)		0.7	377.67	258.32	298.95		0.0	3.13	385.58		257.49	295.78			329.21	
Spain (37)		0.4	161.31	110.33	125.83		-0.1	3.93	165.09		110.24	127.07	155.61	175.88	124.10	
		-	324.89	222.22	255.45					322.02		254.11	332.79		232.23	
Sweden (46)		1.1	238.30	162.99	187.37		0.7	2.44	330.14		220.47					
Switzerland (35),		1.3	165.84	113.50	130.47		0.5	1.55	241.71	235.79	161.41	188,04			172.99	
indiand (46)		-1.8 0.2	218.89	149.71	172.10		-1.9	2.01	173.76	169.49 216.68	116.04	133,74 172,71			130.15	
		0.2	253.85	173.62	199.59		0.0 0.2	4.27 2.22	224.39 260.22		149,84		218.86		194.09	
USA (631)									20022	200 62	173.77	200,29			200.49	200
lmencas 1778)		0.2	231.53	158.35	182.05		0.2	2.22	237.32		158.48	162.86			183.12	
Europe (726)	202.83	0.6	197.38	135.01	155.20		0.2	3.10	201.66		134.67	155.22			169.83	
Nord4c (136)		0.8	280.83	192.08	220.81		D.5	2.32	285.98		190.98	220,12			222,22	
Pacific Baser (832)		-0.7	154.22	105 48	121.25		-1.0	1.24	159.61	155.68	106.56	122.85			148.86	
Euro-Pacific (1558)		-0.1	172.11	117.72	135 33		-Q.5	2.13	177.03		118.22	138,26		188.39	159.92	
Vortit America (732)	254.32	0.2	247.49	169.28	194.53		0.2	2.23	253.73		169.44	195.29			196.02	
Europe E.c. UK (521)	185.70	0.5	160.72	123.61	142.10		0.2	2.47	184.29	179.76	123.07	141.85			152.92	
Pacific Ex. Japan (350)	275.72	-1.9	<b>268.32</b>	183.52	210.97		-1.8	3.11	290.75	273.84	187.48	218.09			230.27	
Nortd Ez. US (1750)	178.32	-0.1	173.53	118.69	136.44	138.00	-0.4	2.15	178.43	174.04	119,15	137,34	138.55	164,71	169.85	181
Norld Ex. UK (2176)		0.1	196.34	134.29	154.37		-0.1	1.98	201,65		134.66	155.21	169,03	207.64	170.30	170
Norld Ex. Japan (1899)		0.2	229.38	156.89	180.35	222.12	0.1	2.59	235.19	229.40	157.06	181.02	221.97	242.17	188.57	188
The World Index (2381)	203.84	0.1	198.37	135.68	155.87	179,35	-0.1	2 18	203.70	198.69	135.03	158,79	173,58	209.73	172.67	172

The FT/S&P Actuates World Indices are owned by FT-S& International Limited, Goldman, Sachs & Co. and Standard & Poor's. The Indices are compiled by FT-S& Goldman Sachs in conjunction with the Faculty of Actuates and the Institute of Actuates, NatiVest Securities Ltd., was a co-founder of the Indices.

JOBS: The labour market is growing increasingly complex and difficult to interpret

ES of SETTLEBURG

spuried SF-24 to 12 13 mg broken tance a SF-475

added SP75 at the insurer at ST475.

added SP75 at the insurer at Standard SP75 at the insurer at ST475.

M Saw a 11 per at ST482.

ST47 10 ST470.

HAGEN counter took at 10 ST470.

ST47 10 S

Carrie Colla spepula

ST the strongly of the strongl

of the second

e natura spoot 🍖

STL 1-med by 25 pe r étretive demai माना हो इसके Berger mit mis

DOMESTIC A TENNES

and edged by With

No. 10.6 (7.754 No. 1.757 No. 1.757

21 July 2012 1943

TA 1 tel geria

on the production of the produ

1.00 (2.00) (28.1)

:::::7 <u># \$</u>

metrostend miff.

1 Sandon

nesses and even individual life One is the assumption, widely held across society and supported hy a plethora of literature, that we are entering the age of the flexible labour market and that the smooth career path to retirement is over. This model of work portrays increasing numbers of people in future as hunter-gatherers, hungry freelances foraging for work and moving from project to project.

However, Business Strategies, an independent private consultancy, has just published a study of the UK labour market which appears to demonstrate that the assumption rests on shaky foundations. It found the proportion of employees in permanent, self-employed, temporary and part-time work had not changed significantly in the past 10 years and predicts no great change over the next 10 years.

For example, some 85 per cent of tha working population had full-time jobs in 1985; in 1995, the proportion had dropped to 82 per cent. By 2005, according to the consultants' calculations, it will be 79

As for the growth of part-time

Realistic picture of work remains elusive ingly, the report takes issua with the assumption that part-time employment is undesirable. It

quotes earlier research which

reports a high degree of joh satisfac-tion among part time employees. Although the number of temporary workers is growing fast, their proportion of the workforce will remain in single figures well into the next century - 8 per cent, com-pared with 5 per cent in 1985. Yet despite such figures, Business Strategies still felt constrained to predict a big increase in flexible working. It is almost as if there is an unconscious acceptance of the spread of flexible working in spite of evidence that shows it is not happening on any great scale. Is this part of some greater delusion among the workforce generally, fed by gurus and leading to employment policies exe-cuted unquestioningly by management? Could this help in some way to explain the puzzling phenomeoon

that is rather clumsily described as

Management theorists, promoting

lack of feel-good factor?

order to maintain competitive edge, have ushered in patterns of human resource management designed to wring the optimum performance suggested that most part-timers from the smallest number of people capable of doing the job. If the company cannot get the best out of its own people, then it can go outside for skills - and when the cootract workers are worn out, it can get some fresh ones. Little wonder that there is uncertainty and unhappiness among people who are perfectly able to do their jobs, yet who are constantly looking over their shoulders at whether theirs will be

the next joh to go. Businesses have been developed on both sides of the Atlantic that depend on changing work patterns for their existence. Solutions can be bought off-the-shelf from career development counsellors, stress counsellors, outplacement agencies and those for interim executives and part-time professionals. Job-get-ting is a multi-billion dollar industry in its own right. But much of the industry has a vested interest in the movement of employees in and out of work. It needs turnover.

There are many good aspects of this industry, as it belps to ease the flow of talent from one job or busi-ness to another, but it tends to use and stress the language of change. The organisation of work has also attracted original and inspiring thinkers such as Charles Handy, whose outline of the portfolio career, comprising separate pieces of freelance work, appears coovincing, particularly wheo viewed against a proliferation of contract work in the computer systems

But such ideas, stimulating as they may be, need to be tem-pered by analysis. Only when observation is matched to statistical evidence do the trends in changing work patterns begin to be visible. The Busioess Strategies' study seems to indicate that while some change is happening, it is gradual and not necessarily permanent.

In spite of its arguably over-bold predictioo on flexible working, the study makes a useful contributioo to the research of working patterns. In an attempt to explain the lack of change overall in joh turnover figures, it theorises that much of the job-changing in the 1960s may have beeo voluotary, whereas today it may be increasingly involuntary leading to less job security. So, while the headline figures may be similar, they could disguise differ-

ing employment trends. On the increase in temporary employment, the study ventured that social obligations may be working against permanent employment. While the direct wage costs of tem-porary staff are often higher than those of permanent staff, there tend to be fewer social costs, such as sick pay, boliday pay, pensions and

redundancy money.
Although there is little statistical evidence to say whether or not the labour market is undergoing a large-scale sea change, there are pointers from the economic upsurge of the 1980s and subsequent recession of the 1990s.

The growth and later decline of the numbers of self-employed is an example. Self-employment surged in financial and business services and construction in the 1980s, but then fell back sharply in the harsber 1990s. The numbers of self-employed in construction, for example, fell by nearly 19 per cent during the last recession. The picture, then, is one of short-term fluctuations rather

than of lasting change.

Much of the temporary and part-time work recorded in tha research is low paid: it found that no more than a quarter of part-time women were earning more than £6

If anything, the research seemed to support a picture of a two-tier society. Better-off households often have two wage-earners in combinations of full-time and part-time jobs, while other households struggle with a series of lower paid temporary contracts. As the study says: "There is a treed towards work rich" (and thus 'wage rich') and 'work poor' households. Partners will either tend to both be in a job, often with one full-time worker and one part-time, or they will both be out of work - encouraged by current social security

There was some evidence of a growing group of professionals, such as accountants, in temporary

work, often commanding higher salaries to compensate for the lack of accompanying social henefits. Whether this is strong enough to point to the birth of the portfolio career, however, is debat-

What does seem clear is that the labour market cannot be captured in a few simple headlines. It seems too early, from the evidence of this latest body of research, to discern a long term trend that can be distinguished from the sbort-term changes resulting from the fluctuating economic cycle.

• The report also looks at job patterns in some UK regional financial centres. Many of these centres appear to have captured domestic growth in financial services from London, which, nevertheless, has successfully consolidated its role as an international financial ceotre.

Among the most prominent regional changes have heeo a fall in banking and insurance jobs in Manchester and growth in these sectors in neighbouring Cheshire. Glasgow is losing insurance jobs but will make up for these with new banking developments.

Labour Morket Flexibility and

Financial Services is available from Business Strategies, 192 Vauxhall Bridge Road, London SWIV IDX, price £7,500 plus VAT.

Richard Donkin

## CORPORATE FINANCE EXECUTIVES International Investment Bank

This premier global investment bank is searching for talented and ambitious individuals who can add value to the competitive and prestigious world of corporate finance.

Our client is a world leader in the provision of corporate finance services to the international community, and is now undergoing significant expansion, presenting exceptional opportunities for those who aspire to be top-flight corporate financiers.

The roles will involve financial analysis, modelling and documentation across a variety of sectors, with acrive involvement in the origination and execution of cross-border deals,

Applicants will currently be within an investment bank, accountancy or consultancy firm, ideally with an appropriate ACA or legal qualification. They will be entrepreneurial, creative thinkers, with drive and tenacity. Interested candidates should send their c.v's to Christopher Squire or Richard Kellner at the address below.

Jonathan Wren & Co Ltd, Financial Recruitment Consultants, No.1 New Street, London, EC2M 4TP Telephone 0171 623 1266 Facsimile 0171 626 5257





#### INVESTMENT BANKERS SEEKING CHANGE...

Our client, a London-based investment bank with a leading presence in Emerging Markets broking, wishes to appoint two senior associates to join their highly successful Emerging Markets investment hanking team. Candidates without previous banking experience will be considered along with experienced analysts currently working within investment hanking teams. No experience within Emerging Markets is necessary, of more importance is the ability to demonstrate the following:

- A first class degree gained from a top tier University, possibly supplemented by an ACA or MBA
- A sound understanding of investment banking, developed through 2-4 years practical experience within a blue-chip institution
- · A track record of equity transaction experience from the areas of capital markets, M & A or veoture capital, ideally gained within the developed markets
- An enthusiasm for working to the Emerging Markets
- · A flexible, pro-active approach to problem solving allied with well-developed modelling skills
- The maturity to work within a team-based conseosual environment
- · Languages relevant to the Emerging Markets would be an advantage but are by no means a prerequisite

In the first instance, please send your CV in complete confidence to: Adrian de Vere Green, Emerging Markets Search & Selection, 12 Masons Avenue, London EC2V 5BT Telephone: 0171 600 4744 Fax: 0171 600 4717 E:mail: adrian@emss.co.uk

**European Equities** 

#### **Equity Research Editor**

Deutsche Morgan Granfell, the investment banking arm of Deutsche Bank one of the world's largest AAA rated Institutions. operates in over 30 countries. We aim to become the leading European-based Investment bank end one of the top investment banks in the world.

An opportunity has erisen for an edit English languega reports and presentations originating

from our European equity research offices.

The successful candidate is likely to be working in this field already and will be abla to demonstrate an experience of the equities business. A Supervisory Analyst (NASD series 16) qualification would be a definite advantage Remuneration will be competitive. with a significant performance related bonus.

Please reply with full career details to: Alun D Spillman, Director, Ref: 8284, Versutus Advertising, The Old Sorting Office, Rosemount Avenue, West Syfleet, Surrey KT14 6LA.

**Deutsche Morgan Grenfell** 



**ASSISTANT FUND MANAGER** 

JAPANESE MARKETS

c. £50,000 + BONUS



Due to a significant increase in institutional business, this leading US investment management house, with in excess of \$100 bn under management worldwide, is seeking to add an experienced analyst or assistant fund manager to its Japanese team based in London.

With three to five years' experience of the lapanese markets gained in a major institutional manager, you will be a qualified IMC, IIMR or equivalent, and be able to demonstrate a successful track record in the fund management industry at analyst or assistant fund manager level. You must possess well developed communication skills both oral and written, and first class presentation skills, essential when articulating investment decisions to your peers.

Your responsibilities will include: analysing listed companies for stock selection and portfolio construction purposes, reporting regularly on financial and economic indicators, conducting local visits and compiling trip reports and notes for the review of portfolio performance.

This role offers the opportunity to develop

dynamic and meritocratic. For candidates of the highest calibre, the potential exists to progress rapidly.

Interested candidates who feel they possess the relevant experience should telephone Chris Herrmannsen on 0171 629 4463 (evenings/weekends 0171 431 4190) or apply in writing, enclosing a CV with current remuneration details, to Harrison Willis, Cardinal House, 39-40 Albernarie Street, London W1X 4ND. Fax: 0171 491 4705.



BELFAST . BIRMINGHAM . BRISTOL



The EIB, the financing institution of the European Union, is currently seeking for its Financial

#### Financial Analyst for the Management Control Unit (m/f)

European Investment

A career in the heart of Europe

Bank



Duties: Under the responsibility of the Head of Unit, he/she will mainly: • perticipate in establishing a Management Control Unit; • develop and use analytical tools for measuring the results and profitability of the EIB's banking activities as well as projected results; • analyse and comment on the make-up of, and trends in, the financial results of market and treasury activities; • work together with members of a small team and liaise with other units in the Department and the Finance Directorate, particularly Risk Monitoring. Front Office and General Accounting; • provide an interface between the Management Control Unit's analytical requirements and

the development of corresponding computer programmes. The above duties will involve close cooperation with the Bank's other Directorates.

Qualifications: University degree with emphasis on financial, mathematic, economic and management studies. Treasury operations and financial markers specialist with at least 5 years' experience in this field. Excellent grasp of financial techniques and knowledge of concepts and accounting methods. Open-minded approach, good communication skills and ability to draft clear and concise reports. Apritude for using IT tools.

Languages: Very good command of either English or French and sound knowledge of the other. The EIB offers attractive terms of employment and salary with a wide range of welfare benefits.

It is committed to a policy of equal opportunities and applications from women would be particularly welcome.

Applicants, who must be nationals of a Member Country of the European Union, are invited to send their curriculum vitte, together with a letter and phomgraph, quoting the appropriate reference, 10:

EUROPEAN INVESTMENT BANK Recruitment Division (Ref. EI 9602)

100, Boulevard Konrad Adenauer

L2950 LUXEMBOURG. Fax: t (+352) 4379 2545. Applications will be treated in the strictest confidence and will not be returned. **European Corporate Finance** 

# Graduates/MBAs/ACAs

Our client is a leading European investment bank providing a full range of advisory services in equity capital markets and mergers and acquisitions as well as the research, sales and trading of a wide range of equities.

City

Due to expansion, there is now a requirement for additional, highly motivated, executives to work in international corporate finance, focusing primarily on mergers and acquisitions and equity advisory.

The environment is flat and meritocratic, with a real emphasis on a creative and innovative culture. Responsibility and exposure to clients at an early stage is given, thus implementing a 'hands-on' ethos, which has resulted in a consistent ranking within the top 10 crossborder M&A advisors in Europe, and a leading position in equity issuance.

Candidates are likely to be aged under 2S and fit one of the following profiles:

 A newly qualified ACA from a 'Big 6' accounting firm-

£ Highly Competitive A newly qualified MBA.

 A graduate with at least 12 months corporate finance experience.

A graduate with a European business degree.

Candidates must be able 10 demonstrate:

Strong technical and analytical skills.

 Good oral and written presentation skills. · Initiative, maturity, motivation and an entrepreneurial

approach. • Excellent academic background.

fax 0171 405 9649.

This is an outstanding opportunity for ambitious,

confident and commercial young executives to develop their careers in investment banking.

Interested candidates should contact Ian Tucker or Paul Wilson at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH or telephone them on 0171 831 2000 or

Michael Page City International Recruitment Consultants

London Paris Frankfurt Hong Kong Sydney

#### TOP OPPORTUNITIES

SENIOR POSITIONS IN GENERAL MANAGEMENT



## **CHIEF EXECUTIVE**

The Irish Trade Board

DUBLIN

This important appointment arises due to the The key requirements are for the dynamic leadership, impending retirement of the present Chief conceptual thinking and commercial acumen necessary Executive.

The Board, which employs over 250 people with 23 overseas offices, has as its main objective to assist Irish firms develop sustainable markets at home and abroad.

The primary role will be to build on the Board's historic success by providing both the strategic planning and management direction necessary to achieve the challenging goals set for the balance of this decade.

to head an international organisation operating in an increasingly competitive global marketplace.

The remuneration package, which includes a contract, fully reflects the pivotal nature of the appointment.

The Irish Trade Board is an equal opportunities

Those interested should please write to H.W.J. Flannery, HAY-MSL Management Consultants, Newmount House, 22/24 Lr. Mount Street, Dublin 2, quoting reference 83657.

MANCHESTER NOTTINGHAM

#### BANKING FINANCE & GENERAL APPOINTMENTS

ALTERNATIVE INVESTMENT MANAGEMENT MARKETING EXECUTIVE

want to enhance your marketing to operation I would like to meet yo

#### APPOINTMENTS ADVERTISING

appears in the UK edition every Wednesday & Thursday and in the International edition every Friday.

For information on advertising in this section please call Andrew Skarzynski

Toby Finden-Crofts

+44 0171 873 4153

+44 0171 873 4054

## INVESTMENT BANKING **ASSOCIATE**

Competitive salary & banking benefits - London based

trading world-wide, is looking for an experienced professional to join the Investment Banking Division, based in London.

You must hold an MBA from one of the very top international business schools and demonstrate proven academic excellence, including a good primary degree. You will have a recent track record of financial services experience with emphasis on the transportation sector in Japan and other global markets, as well as knowledge of the high-tech sector. Previous work experience in Europe, the US and Asia as well as an emerging market is essential.

You will play a critical role in developing and executing investment banking business, including mergers, acquisitions and restructuring. IPOs. as well as the co-ordination and management of other public offerings and private placements of debt and equity securities. The co-ordination and

preparation of materials and exhibits related to business development and transaction execution is also required. Preference will be given to candidates with management consultancy:

able to cope in a highly-pressurised env and have proven interpersonal skills. Fluency in English and Japanese, and at least one other language is essential. The rewards package and career developed prospects are excellent.

Please send your CV, quoting reference 376, to: Alastair Lyon, Confidential Reply Handling Service. Associates in Advertising, 5 St. John's Lane, London EC1M 4BH.

Your application will only be sent to this client but please indicate any organisation to whom your details should not be forwarded.

**BANKING FINANCE & GENERAL APPOINTMENTS** 

moscow

# russian commodity

#### excellent salary & bonus

followed up, make market analysis using PC technology, and formulate trading plans/tactics. You will also need to keep a close eye on legal, economic and political changes Impacting on the business.

This is a key role within Russia and you will have responsibility for building the business and optimising synermy's with other group product lines. We are looking for a team

player, high on people

skills, entrepreneurial spirit and ethics. Grain trading experience is advantageous although other commodity trading skills will also be of interest. You will be working for a growth orientated multinational corporation,

where you have all the resources to take advantage of opportunities without the bureaucracy of an entrenched institutionalised environment. The potential to progress to Trading Desk

Manager exists for the right person. Ref: 0465 We are also interested in

commercially orientated graduates, preferably with some . sales or trading experience in Central or Eastern Europe, to join the international training ргодгатте.

#### TOP OPPORTUNITY IN BOND SALES

titutional clients all over the world.

We are looking for high achieving individ-one of the following areas;

corporate bonds; inv

emerging marks

Openings also exist in other areas of capital market

Applicants must have successful bond sales and/or relevant Capital Ma We can offer outstanding performance be

work environment. EC nationals or EC work pennit required, Please send your resume or call confidentially: Caver Purphished, Proceedings, London Wall, Director, Pro Capital Ltd., CBC, 2 London Wall Buildings, London Wall, London EC2M SPP, Tel: 071 628 4200 (after 6 pm), Fax: 071 628 0870. ase send your resume or call confidentially. Oliver R.Froment, Managing

#### Analyst

Eastern Europe

An Analyst is required for one of the leading Fund Managers active in the Eastern European market. The ideal candidate will possess a degree and have a minimum of two years' experience of company analysis in Eastern Europe. Fluency in English and at least two other European languages is required."

Applicants should reply, enclosing their CV to Box No 5297 Financial Times, One Southwark Bridge, London SE1 9HL.

EARN WILLIAMS

An opportunity for a native

the fast expanding Russian

multinational as Agricultural

**Commodities Trader based** 

You will have responsibility

for building a customer base

of grain buyers, buying and

selling grain and oilseeds

and giving guidance to the

grain origination team. You

will need to ensure logistics

and forwarding are properly

in their Moscow office.

subsidiary of a major US

Russian speaker with 3

years plus international trading experience to join

# Head of Structured Equity Derivatives Marketing

### **Johannesburg**

A unique opportunity to play a key role in the development of an expanding equity derivatives business in South Africa. On behalf of this major South African organisation we wish to appoint a high calibre individual to build a structured equity derivatives business.

#### The Role:

- To establish a sound flow of business in Europe and South Africa, taking a hands-on approach to meeting client demands, structuring South African equity derivatives products.
- To promote the organisation as a provider of equity derivatives by implementing innovative structures for clients, developing new products for the bank and transacting substantial business in the marketplace.

#### The Candidate:

- A high calibre graduate with at least six years' experience within the listed and OTC equity derivatives business.
- Strong technical skills and a clear understanding of equity derivatives and their related products.
- The ability to build a profitable client base by strong marketing and presentational skills.

This challenging position offers substantial career prospects within one of the fastest growing derivatives markets in the world. The division is backed by substantial financial commitment and this will lead to significantly greater responsibilities. An excellent salary and benefits package is available, commensurate with experience and qualifications.

For a confidential discussion contact Tim Sheffield. Telephone: 0171-236 2400. Fax: 0171-236 0316 or apply in writing to: Sheffield-Haworth Ltd., Prince Rupert House, 64 Queen Street, London EC4R IAD.

#### SHEFFIELD-HAWORTH

Consultants in Search and Selection

## Fixed Interest Fund Management

#### City Based

NPI is a major pensions provider with \$13 billion in assets under management. As part of its strategy of being recognised as the retirement Investment House it is further strengthening its nent arm and seeks to employ two experienced portfolio managers to join its existing

Fixed Interest Portfolio Manager Fixed Interest Portfolio Manager (Overseas)

Reporting to the Head of Fixed Interest, you will each be responsible for a number of funds as well as undertaking research and analysis for input into the company's investment strategy. These challenging positions are central to our corporate strategy and call for highly motivated sdividuals with good interpersonal and presentational skills. You should have a good degree in conomics or another numerate discipline, a clear analytical approach to investment and must have a proven track record of 5 to 10 years experience in fixed interest fund ma

pay scheme reflecting the importance of both positions are offered and the attractive benefits package includes company car, subsidis

A competitive salary and performance related

To apply, send your CV vs Tricia Carford, Human Resources, NPI, Grove Hill House, Grove Hill Road, Tumbridge Wells, Kent TN2 1SB.



**PROVIDING PENSIONS SINCE 1835** 

# Fixed Income Sales

#### Excellent Salary + Bonus + Benefits

We are acting on behalf of a major European Bank who as part of their continuing expansion seek Fixed Income Sales people to enhance their existing Bond Team.

Responsibilities will include the distribution and sales of multi-currency Bond issues to a portfolio of institutional and retail clients in the UK and Continental Europe.

Candidates must have a sound academic background, fluency in a second European language and a successful track record of developing client relationships within a Fixed Income sales environment. These pro-active roles require individuals with strong analytical and communication skills coupled with a high level of self motivation.

For a confidential discussion please contact Keith Snow. Telephone: 0171-236 2400, Fax: 0171-236 0316 or apply in writing to Sheffield-Haworth Limited, Prince Rupert House, 64 Queen Street, London ECAR 1AD.

EUROPEAN MONETARY INSTITUTE

#### TWO INFORMATION SYSTEMS AUDITORS

The European Monetary Institute (EMI) was established on 1st January 1994 with its seat in Frankfurt an Main. The EMI's function is to strengthen the co-operation between its members, the central banks of the European Union, and to prepare for the establishment of a future European Central Bank. The EMI currently employs approximately 200 staff members and has its own terms and conditions of employment, including a competitive salary structure, pension plan, health insurance and relocation benefits.

The EMI is (coking for candidates to full two positions as Information Systems Auditors in the Internal Audit Office at very short notice. One vacency is for an Information Systems Auditor (Projects) who, under the supervision of the Head of Internal Audit, will participate in the auditing of major IT projects under development. The successful candidate will be experienced in the area of payment systems, the auditing of large information systems projects from design to implementation, i.e. throughout the project life-cycle and will have an in-depth knowledge of Wide Area Networks (X25, ISDN, S.W.I.F.T.) He/she will also be familiar with the investigation of systems security, specifically network security.

The second vacancy is for an Information Systems Auditor (In-House Systems) who, under the supervision of the Head of Internal Audit, will be responsible for the auditing of in-house systems and IT projects. The successful candidate will have experience of installation reviews, ideally in VAX/VMS, UNIX and Novell environments. He/she will be familiar with networks (LANs and WANs), and have good experience of TCP/IP and Novell IPX. He/she will also be familiar with the investigation of systems security, specifically network security.

The positions will be on a fixed-term contract basis and candidates must be a national of a Member State of the European Union.

Professional experience of between 2 and 5 years as Junior IS Auditor, preferably in the banking sector, or as an IS Engi knowledge. CISA would be an advantage.

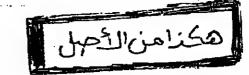
Good communication skills, self-motivation and a sense of initiative.

Proven ability to produce technical studies and to present findings and recommendations in a clear and concise manner.

Practical knowledge of the standard Microsoft Office Automatico packages (MS DOS 6.2, MS Windows 3.1, MS Office Professional 4.3).

Fluency in English and proven drafting ability in that language; a command of German would be an advantage.

Applications, which should include a Curriculum Vitae and a recent photograph, references confirming the required experience and skill if possible, copies of papers and notes prepared by candidates, should be addressed to the European Monetary Institute, Personn Office Services Division, Postfach 10 20 31, D-60020 Frankfurt am Main, and should reach us no later than 25th March 1996.



# Global **Business Controllers** Zurich

Our client is a prestigious global banking organisation. Enjoying sustained profitability, an excellent credit rating and an enviable client base, it is one of the strongest and most stable forces in international investment banking and securities trading.

Headquartered in Zurich, the global product control function is being developed to enhance the quality of support and analysis provided to senior management and to the trading businesses. The current need is to strengthen capacity by adding talented people to the existing team. There is sufficient flexibility to accommodate individuals with levels of experience potentially as diverse as two to ten years. The key attributes sought include:

- Intelligence, numeracy, IT literacy and analytical skills.
- Product understanding, ideally of fixed income, commodities or
- Experience of product control and/or operational risk management, to include P&L reporting, portfolio valuation and risk monitoring.
- Knowledge of option theory and economic analysis would be ideal. Business understanding, organisational ability and relationship management skills.
- Maturity, credibility and the potential to progress.

As a gifted graduate and probably a qualified accountant, you will have the confidence to deal with colleagues and business managers at all levels and the capacity to add value from a business development perspective. You will be fluent in English; some German would be useful. A minimum three year commitment to Zurich is needed. In these high profile, business focused roles, remuneration will not be a limiting factor and career development prospects are excellent for individuals of the high quality required.

Please write to Janet Bullock at BBM Selection, quoting reference 379 and enclosing a full Curriculum Vitae that includes contact telephone numbers. All applications will be treated in the strictest confidence.

76, Watling Street, London EC4M 9BJ



Tel: 00 44 171 248 3653 Fax: 00 44 171 248 2814

#### Senior Salesman - International Bond Sales

Commensurate with position

Superb position within a global investment bank based in London The Company

Major UK based international investment banking group

125

ារច្នេក្សានិ

 $a^2 \underline{a}_{\mu}$ 's

1.00

D SALES

سنة المؤة الباء الما

na santa <u>a</u>

and the program

4

No Manager

PENSIONS

1535

- Stable, profitable, prestigious
- The position The principal aim of this position is to work within a global investment be
  - The position will also entail the production of cash, derivatives, FX and futures business Create trade ideas for the enstomer base

US customer base of leveraged accounts and total return money managers

- Qualifications
- The individual requires a solid US account base Proven sales experience in International Bond Sales
- Excellent technical and cross market selling skills are essential Edocated to degree level in finance or economies, MBA desirable
- Please contact Beojamin Andersoo oo 0171 379 3333, or Michael Neame. Alternatively send or fax an up-to-date CV to Robert Walters Associates, 25 Bedford Street, London WC2E 9HP Fax 0171 915 8714

## Senior Trader - European Government Bonds

Commensurate with position

Soperb position for a seasoned trader (not solely a proprietary position) within a global investment bank based in London

The Company

Major UK based international investment banking groop Stable, profitable, prestigious

The position

The principal aim of this position is to work within a team of European Government Bond traders

servicing an international client base

The post will require the positioning of relative value trades and advising froot book traders on cross-book positioning Work with both the froot book traders and the sales desk to facilitate retail flows

Onalifications

The individual requires proveo customer experience Thorough knowledge and established track record in trading European Government Bonds is essential

with particular experience in arbitrage strategies most cotably in Germany & Italy

Experienced in utilising derivatives to help create strategies Technical experience with a degree in finance, MBA desirable

Please contact Benjamin Anderson on 0171 379 3333, or Michael Neame. Alternatively send or fax an np-to-date CV to Robert Walters Associates, 25 Bedford Street, London WC2E 9HP Fax 0171 915 8714

## **NON-LIFE ACTUARIES**

Two exciting opportunities in a creative environment Excellent career prospects

City of London

**Competitive Packages** 

The Company
A leading international reinsurer with global operations. Recent changes have led to opportunities for two
experienced and creative property/casualty actuaries.

The company has placed great emphasis on the sound pricing of its products. Reporting to the Actuary, General Business and operating at the leading edge of actuarial practices this role is to spearhead the pricing and reserving function. The successful candidate will be expected to lead projects to the pricing and financial framework areas.

in response to the changes in the global risk and financial markets, the company is looking to develop new approaches to reinsurance. This role is to work as part of a small, bighly skilled team to develop innovative alternative risk transfer techniques.

Qualified actuary, with significant non-life

A creative thinker.

Excellent technical skills.

· Ability to develop and apply computer models to assist with developing solutions. A team player with excellent communication skills

and persuasive abilities.

Willing to work hard and have fun.

For an initial discussion in complete confidence call Barbara Schönboler on 44(0)171-236 7307 or send details to 20 Cousin Lane, London EC4R 3TE. Fax 9171-236 7705.

**STEPHENS** 



Our client, one of the best known and reputable names in global financial services, wishes to ourment their highly respected and professional Compliance department. Working within a S.F.A. regulated environment you will be degree educated and able to demonstrate excellent communication skills. Additionally you will be proactive, diligent and able to represent the department at all levels of the organisation. Both roles will sent individuals who are committed to a career in Compliance.

#### COMPLIANCE OFFICER

The ideal candidate will have 2-3 years relevant experience, probably with an Accounting background. Your role will be to monitor securities trading activity owering all product areas, including derivatives. You will also conduct compliance reviews, assist in the preparation and updating of procedural manuals and effectively and efficiently respond to day to day queries from the operating

#### COMPLIANCE ASSISTANT

Acting initially as the personal assistant to the Clobal Head of Compliance, your main function will be to assist with the co-ordination of the compliance effort in all securities and investment banking operations world-wide. It is invisaged that after a period of some 12-18 months, the candidate would progress to a Compliance

The attractive salary and benefit package will depend on experience and all enquiries will be treated in total confidence. If you are interested in either role, please apply, quoting the appropriate reference and enclose a copy of your CV in:

Sammons Associates

POUPART HOUSE, 46 FISH STREET HILL, LONDON EC3R 6BR

Tel: 0171-293 7040 Fax: 0171 623 6011



# **European Financial Institutions**

646-654-688-671168-6

Excellent Package

Our client is one of North America's leading banks, providing an innovative range of capital market, derivative and credit products. Sustained growth in Europe has given rise to a number of existing opportunities to join this highly regarded team within trading room credit risk management.

#### Relationship Manager

- Responsibility for all counterparty/issuer related risk for trading business with a portfolio of European industry sectors and countries.
- To proactively manage both complex and higher risk credit requests on a highly responsive basis.
- Evaluating new and existing counterparties/issuers involving significant client contact. Liaising with trading room marketing groups to

determine level and nature of risk.

Candidates must possess strong credit skills with a minimum of five years experience. In addition, you should have excellent communication and presentation skills together with the ambition and motivation to succeed in this growth area.

#### Credit Risk Analyst

- Responsibility for supporting the development of credit relationships with European financial institutions, with particular emphasis on Germany.
- Preparation of applications with recommendations for credit limits for new and existing business.
- · Assisting in the development of relationships with new counterparties.
- Maintaining a portfolio of counterparty and issuer names primarily in Germany and Central Europe. Candidates must have a minimum of two years relevant experience and should be fluent in the German language. You should also have the ability to work as part of a team, in a dynamic and pressurised

The remuneration packages for these roles are excellent, comprising an attractive base salary, performance boous and

Interested candidates should telephone Simoo Lewis oo 0171 831 2000 or write to him enclosing a full curriculum vitae at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH. Fax: 0171 405 9649.



Michael Page City London Paris Frankfurt Hong Kong Sydney



LE FONDS DE DEVELOPPEMENT SOCIAL

DU CONSEIL DE L'EUROPE INSTITUTION FINANCIÈRE INTERGOUVERNEMENTALE REGROUPANT 24 PAYS recherche

# 4 cadres haut niveau

BILINGUES : ANGLAIS + FRANÇAIS - NATIONALITÉ EUROPÉENNE

#### RESPONSABLE DE ZONE A LA DIRECTION DES PRETS

Agé de 35 ans ou plus, de formation supérieure en Finances et les projets concernant une zone géographique de 6 à 9 pays comme "Loan Officer" dans une Banque de Développement.

Vous serez responsable de l'unité (3 à 4 collaborateurs) qui pilote jusqu'au bilan après réalisation. (réf. RZ/F)

Gestion, vous avez une expérience confirmée du financement de européens. Vous aurez en charge les propositions de financement grands projets. Vous avez travaillé dans un environnement international au sein de banques ou établissements financiers, ou et les négociations avec les autorités de chaque pays. Vous coordonnerez tous les intervenants depuis les études préalables

#### ■ CONSEILLER TECHNIQUE, EXPERT DEVELOPPEMENT SOCIAL Agé de 30 ans ou plus, de formation supérieure en Sciences Etant le seul expert du développement social au sein de l'équipe des

Sociales, Economiques ou Démographiques, vous avez une expérience confirmée des projets dens le domaine de la santé, de l'éducation ou des mouvements de population. Vous avez travaillé, si possible, dans une Banque de Développement et connaissez les méthodes d'évaluation et d'analyse coût/efficacité des descriptions et des services et de conservers et de conser des projets ou des programmes nationaux.

consellers techniques (4 agents), vous serez responsable de l'appui technique sur tous les projets de ce secteur, depuis l'instruction (évaluation des besoins, faisabilité du projet, validation des données technico-économiques, etc) jusqu'à l'achèvement et l'évaluation des

#### **ECONOMISTE**

Agé de 28 é 35 ana, de lormation supérieure en Economie, vous avez une expérience minimale de 3 ans de type "Country Economist" dans un Centre d'Etudes Economiques public ou privé, une organisation internationale de développement ou un

Au sein du Département des Etudes, vous serez chargé de l'anelyse et du suivi de la situation économique et sociale des 5 à 10 pays prioritaires pour l'Organisation. Vous réaliserez les synthèses permettant de définir les grandes orientations de la politique de projets et d'éclairer les choix sectorlels et géographiques. (réf.E/F)

#### RESPONSABLE DU DEVELOPPEMENT AU SERVICE INFORMATIQUE

Agé de 28 à 35 ans, de formation supérieure en informatique, vous avez une expérience minimale de 5 ans dans la conduite de projets informatiques dans la secteur bancaire. Vous avez rédigé des cahiers des charges, réalisé des analyses fonctionnelles, mis en place des applications et formé les utilisateurs. Vous connaissez

également les métiers de la banque. Venez participer à la définition d'un nouveau schéma directeur et à la reforde intégrale des systèmes d'information. Vous assurerez la coordination des projets, le suivi et le contrôle des prestataires extérieurs. (réf. RD/F)

Les quatre postes relèvent d'un statut de fonctionnaire international.

Merci d'adresser votre dossier de candidature (CV + rémunération ectuelle + n° de téléphone), en précisant sur l'enveloppe le référence du poste choisi, à Communiqué, 50/54 rue de Sitly, 92513 Boulogne-Billancourt Cedex.

#### APPOINTMENTS ADVERTISING

appears in the UK edition

rery Wednesday & Thursday and in the International edition every Friday, For further information please

> **Toby Finden-Crofts** +44 0171 873 3456

#### QUANTITATIVE ANALYST

er with 1st/2:1 and Ph D./M.Sc. plus 1 year's Capital Markets experience to work in top U.S. investment Bank.

> Please contact Carl Baum, Tel: 0171 972 0150 Fax: 0171-972 0151

#### GENERAL MANAGER, SECRETARY

Prestigious Golf & Country Club seeks top class Manager/Secretary. Age 45/55. Salary £25k neg. Accommodation, F. Board provided - no children. Apply with CV to:

The Chairman, Dyrham Park Golf & Country Club, Galley Lane, Barnet, Herts EN5 4RA.

#### **APPOINTMENTS** WANTED

#### BOOMING CUBA

Young, hardened MBA fluent in English Spanish and French with contacts in Cube and 4 years multifaceted experience in Europe, Eastern Europe and C.I.S. looking for a position in a booming Cuba. Excellent references.

Confact: UK Tel (44) 1276-61068 Pax (44) 1276-677-678

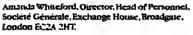
#### SENIOR INSTITUTIONAL **SALESMAN**

#### Switzerland

With over 500 offices in 70 countries worldwide, Société Générale plays a significant role in all key international markets offering a comprehensive range of pr services in capital markets and investment ba As part of the continuing development of the Fixed me division in London we are looking to recruit an experienced Institutional Salesman to sell a wide a of fixed income products, including option strateg and structured deals into the Swiss market, providment on the market significance of econo developments, advise on yield curve and spread developments, and develop cross currency flows

Candidates should be/have: ■ at least 5 years' expedence in the Fixed Income market man established client base including major Swiss asset

■ a good communicator and team player ■ speak French and preferably Swiss/German fluently Applicants should contact:





ociété Générale is regulated by the Securities and Futures Aut

## GRADUATE TRAINEE

"CLAIMS ADMINISTRATOR"

£ Excellent

Department.

A premier commoditles group with substential oil trading, refinery and production interests, seeks ambitious recent graduate to take an initial training assignment leading to an opening within the Claims

+ Bonus

You will possess at leest 2:1 or better in an Economics/ numerate/financial/legal degree. Have good communication skills, be computer literate, precise, able to hendle details well and preferably able to understand contract terms. Acumen to succeed in a challenging but highly rewarding environment end be able to start quickly. 1-2 years oil industry experience an edventage but not

Write to Box A5296, Financial Times, One Southwark Bridge, London SE1 9HL

HENDERSON

# **Business Development**

#### **Financial Administration Services**

**Excellent Salary Package + Bonus** 

Two outstanding opportunities for highly-professional business developers to join a successful team with prestigious client list.

 Second role developing strong market position for administration in UK of investment trusts, PEPs and THE COMPANY

 Henderson Administration Group plc is a leading provider of high-quality funds administration services premier institutions in the UK and Europe. Turnover built to over form in five years. Expansion of external services is a key element of Group strategy. Services delivered from well-established operations in

London and Laxembourg. THE POSITIONS Two excellent opportunities exist for sales people in

xpanding London-based team. One position focusing on winning business for Luxembourg office; priocipally administration of offshore funds and private client ac

orivate client account Maximise opportunities from excellent foundations hid by present team, goodwill of existing clients and

Henderson's reputation in marke QUALIFICATIONS

 Both positions demand professionalism, focus, energy and tenacity. Highly-motivated, performance-driven,

effective team players.

Track record of successful sales activity and ability to close deals, preferably in the professional service sector, essential. Knowledge of financial products administration an advantag European languages and PC skills desirable.

Please send full cv, stating salary, quoting ref FS60207FT for UK, or ref FS60208FT for Lucernbourg, to NBS, 10 Arthur Street, London EC4R 9AY



N & SELECTION LTD



Aberdeen • Birmingham • Bristol • City Edinburgh • Glasgire • Leeds • London Manchester - Slough - Madrid - Paris

City

# **BUSINESS ANALYST**

## c£40,000

HUGHES

HUGHES INTERNATIONAL GOOD

**Human Resources Management - Investment Banking** 

PERSONNEL MANAGER INVESTMENT BANKING

We are looking for a Human Resources Manager with proven investment banking

experience. The successful candidate will act as adviser/coordinator for the In-

vestment Banking division in personnel decisions, planning, hiring and coaching

You will have an excellent university degree, be highly motivated and have

considerable experience of investment banking. Priority will also be given to

If you are interested in joining a dynamic team in a major German city please send

your résumé (quoting "Personnel Manager Investment Banking") to: Dr. Jäger

Management-Beratung, D-61462 Königstein, Seilerbahnweg 14, Fax: 0049

61 74/93 62 11. For further information contact Sabine Weller von Ahlefeld, Tel.

Dr. Jäger

MANAGEMENT-BERATUNG

The Human Resources Group of this organisation is seeking a

Hughes International GmbH, a subsidiary of General Motors Hughes Electronics, develops and manages globally integrated training programmes for internationally operating companies, as well as military and civil services. We are now developing into new and growing markets.

Your area of responsibilities will include conducting broad-based financial activities such as: supporting strategic pricing activities by analyzing costs and revenue, budgeting and planning, and preparing actual to budget enalysis.

The ideal candidate should possess a degree in Finance or Business Administration and at least 6 years of finance related experience preferably in a large manufacturing company. We expect high

nal presence.

competency in computer skills such as financial modelling using Excel or Lotus. Systems or database management experience would be an asset.

Based at European headquarters near Frankfurt, you can expect en attractive compensation and benefits package and the opportunity to work in a dynamic team environment within a broad multicultural end fast expanding organisation.

> If you are looking to join the largest global training company please sand your résume, a photograph, current salary and availability to Hughes International GmbH, Human Resources European Headquarters, Eisenstrasse 2-4, D-65428 Rüsselsheim, Germany.

#### APPOINTMENTS ADVERTISING

appears in the UK edition ery Wednesday & Thursday

and in the International

edition every Friday. For further information please

**Toby Finden-Crofts** +44 0171 873 3456

Andrew Skarzynski +44 0171 873 4054

#### **SPECIALIST** Our client is one of the top ten financial institutions in Germany, a successful and SALESPERSON/ANALYST profitable bank with both a strong local focus as well as an established internatio-

One of the leading internadonal Equity securities firms, is seeking to strengthen their strong franchise in the financials

The successful candidate is likely to be educated to degree level and have completed 2/3 years training within banking/ insurance. This candidate will have strong written and oral communication skills, and the ability to develop creative and innovaove ideas within a busy team-oriented environment,

Interested applicants should forward their application

Box A5320, Financial Times, One Southwark Bridge, London SE1 9HL.

sector by recruiting a Specialist Salesperson/Analyst.

Main responsibilities will include communicating current

including cv to:

# EQUITY RESEARCH ANALYST

Merrill Lynch's Investment Trust ream has built up a strong reputation, based on high quality research. We are looking for another individual to join this highly successful ream. Specialising on offshore country funds, this person will eventually be given responsibility for producing research reports and investment recommendations on over £20bn worth of funds.

Candidates will not be expected to have a knowledge of investment crusts or offshore funds. However we do require individuals with a strong academic background who are able to demonstrate both excellent literacy and numeracy skills. An ability to work as part of a

We offer a varied and challenging career in a dynamic environment with significant scope for rapid progression. A highly attractive remaneration package will be offered to the successful candidate which

Morrill Lynch

Merrall Lynch, the leading international equity securities firm, is seeking to recruit an Analyst in join its Investment Trust team.

terested applicants should send their curriculum vicae to:

Andrew Walker, Personnel Manager, Merrill Lynch, 20 Farringdon Road, London EC1M 3NH.

# **NOMURA**

candidates with an international background.

0049 6174 / 93 62 - 0.

#### **Fixed Income** Research

Econometric opportunities in Financial Services

Nomura International Pic is the European operation of one of the world's largest investment banks. It has a presence in all the major European financial centres with Headquarters in London. The Debt Markets division covers the fixed-income related product range and includes European Government bonds and Eurobonds.

A specific research group has been established to provide tactical support to the division and research products to elients. This group now has a requirement for a

The jobholder would support applications in the analysis and forecasting of financial and econometric timeseries. Applicants should therefore be conversant with the most recent techniques for parametric estimation, modelling and simulation of processes such as inflation, interest rate and exchange rate subject to discrete and continuous times.

in addition to these technical skills the successful applicant will also be able to demonstrate an ability to work easily within a team and convey complex ideas in an understandable manner.

Banking Benefits

in addition to . salary the Company attructive Financia made unth full (V and

Nicola Robertsu International Ptc. I St Martin's-Lo-Grand

London EC1A 4NP

#### Global Investment Organisation PORTFOLIO ANALYST: CLIENT SERVICES London

This is a unique opportunity to join a new global fund manage anisation which has been formed through the acquisition of a leading et-allocation firm by one of the world's largest investment managers. The European Client Services Director of this new company, Cursitor Alliance, seeks a numerate enthusiastic individual to work in the client

servicing team as a portfolio analyst.

To be responsible for maintaining and analysing performance statistics for the range of products managed within the group. To carry out portfolio analysis in response to client requests and for product design.

The Requirements:

The candidate should be educated to degree level with preferably a mathematical background and be numerate and logical. They must be computer literate, a good commu nicator, and work on their own i ild have two years work experience preferably, but not

If you are interested in this position please send your C.V with current salary details to: Tanja Linderoos, Cursitor Alliance, 65 Buckingham Gate,

#### Senior European Coverage Trader

Instinct, a subsidiary of Reuters Holdings plc since 1987, with annual revenues exceeding £200 million, is one of the world's most active securities brokers. Combining advanced technology and traditional brokerage, Instinct helps fund managers, brokers, market makers and exchange specialists achieve best execution in over 30

Instinct executes client trades in all European markets and has established offices in Frankfurt, Paris and Zurich to facilitate business in these Countries. Due to the rapid growth of business in European markets, Instinct seeks an experienced senior European Coverage Trader to service UK and European institutions from London, in those narkets where Instinct does not currently have a presence.

The ideal candidate will have at least 5 years experience covering the main European markets, either with an established institutional broker and/or a buy-side institutional dealing desk. Whilst the technology that instinct uses is not complex, candidates should be PC literate and have a sound working knowledge of Microsoft Excel and its use in dealing rooms. Candidates should be self-motivated and eager to participate in rapidly growing and evolving European business

An attractive remuneration package is offered erested parties should send a detailed resume to

Mr Leslie J Brady MSI Instinct UK Limited Commodity Quay East Smithfield

London E1 9UN

All responses will be dealt with in confidence. Strictly no agencies,



National Bank of Bahrain is the leading commercial bank in Bahrain with assets in excess of US\$ 2.5 billion. The bank maintains strong relationships with the prime public and private sector in extending corporate banking services to the wider GCC market. To consolidate and strengthen its corporate banking business, NBB invites applications from outstanding professionals for the key management position of:

#### Assistant General Manager, Corporate Banking

As Head of the Corporate Banking division, direct and control the bank's wholesale/institutional banking and investment activities in Bahrain, the Gulf region and internationally to achieve asset growth and earnings targets.

Lead a team of experienced senior relationship officers in managing the requirements of major companies operating in the industrial, commercial, trade and services sectors.

Identify and analyse market trends, develop and implement effective strategic business plans to ensure attainment of profit objectives.

Sound working knowledge and experience of GCC markets would be advantageous.

Position requirements: Graduate with a masters degree.

At least 10 years experience as a senior marketing officer with a first-rate regional / international

Exposure to project finance and loan syndication activities.

Demonstrated skills in marketing, finance and credit management.

Strong leadership, planning and analytical skills.

Fluency in English and Arabic.

NEB offers an excellent remuneration package plus additional benefits. Please forward your application to:

Senior Manager, Personnel Administration National Bank of Bahrain 1922. P O Box 196, Manama, Bahrain

# Ingénieur financier

ADJOINT AU RESPONSABLE DE LA CRÉATION D'OPCVM

Au sein de notre Direction des Gestions Mohilières, vous serez responsable du pôle financier pour la création des OPCVM. Votre équipe, constituée de 4 collaborateurs, aura un rôle de proposition, d'innovation sur toute la gamme des produits de gestion diffusés en France et à l'étranger. Vous travaillerez en relation étroite avec les membres du pôle réglementaire charge de valider

les aspects juridiques des produits. Vaus aurez à concevoir l'offre commerciale des gestions mobilières à partir des besoins exprimés par les équipes techniques financières, et exercerez une veille permanente sur le marché et la concurrence.

Diplomé d'une école d'ingénieurs ou titulaire d'un troisième cycle univer-sitaire, vous maitrisez parfaitement l'anglais, votre expérience professionnelle de 5 à 7 ans vous a permis d'acquérir une bonne connaissance des instruments financiers, des produits dérivés et des OPCVM. Une expérience réussie dans la création de produits du même type sera un atout supplementaire. Merci d'adresser lettre de motivation, CV et prétentions, sous réf. CF/RCP. à Corinne Fondecave. Société Générale, Service du recrutement, Espace 21, 92972 Paris-La Défense.



et de la finance.

CONJUGUONS NOS TALENTS.

- Avec 44 000 collaborateurs dans le monde, 2 000 agences en France et plus de 500 implantations dans 70 pays, la SOCIÉTÉ GÉNÉRALE. groupe international, est active dans tons les métiers de la banque

#### **ACCOUNTANCY APPOINTMENTS**

#### Central London

H 15 1996

City

DOM: bid

sodity to al service

2171 493 6392

general • Cal

----

rader 04.00.25 Jung pikerije, bug

100 mg 200 200 al marry sa

Section And

in you that we want

and the second A .. Think the 1. 1. 1. 1. 1. 1. 1.

Salar Salar Salar Bark

al a grant grant

⊏فتفي چ....

والمنطقة المنطقة والمنطقة والم

4. 1.74 1**87 488** 

Contract to the second

40 PM 21 A 1884

3Link

. . . .

 $c\pounds50,000 + Car + Bonus$ 

Our client is a highly successful international organisation which has a proven track record of growth by acquisition and investment. The strategy of the group is to acquire well established manufacturing companies in secure markets and to then provide investment and management leadership to improve performance. The group is ambitious and will continue to grow from both acquisition and profit improvement.

As part of a small head office team, this position will involve monitoring the performance of a portfolio of subsidiaries. The emphasis is to gain a thorough understanding of their businesses so as to be able to contribute to their development and to report on their performance. There will be close involvement with senior management at subsidiary and group level.

The ideal candidate will be a qualified Accountant with a strong academic background, aged between 28-35 years with at least two years commercial experience preferably from within a manufacturing background. The individual should have excellent presentation and communication skills and show the energy and enthusiasm to thrive in a challenging environment.

The package will include a salary dependent on experience, a company car and the opportunity to participate in the executive bonus scheme.

For further information in the strictest confidence. contact Raj Munde, on 0171 240 1040. Alternatively, send your résumé quoting reference number 2049/09 to Morgan & Banks PLC, Brettenham House, Lancaster Place, London WC2E 7EN. Fax No: 0171 240 1052.

# Morgan & Banks

#### **Midlands**

This major PLC with expanding international interests includes a range of businesses, covering hotels, leisure and branded drinks. Its products and services are recognised as market leading brands and bousehold names in the UK and overseas. Turnover is approximately £5 billion; the balance sheet is in excess of £3 billion.

Internal promotion has created an opportunity for a high calibre individual to join the Group as Head of Internal Audit with a brief to build on a newly introduced approach and accelerate the pace of change. You will work closely with risk management and Group companies to identify and manage key risks facing the Group and will ensure that Internal Audit maintains strong independence, integrity and control, whatever the commercial pressures. Exposure at the highest levels of the Group will be a prominent feature

#### £60,000 - £65,000 + Package

A graduate ACA with between two and five years' PQE, you will have a "big 6" training, first time passes, an unblemished academic background and will be ahead of schedule for partnership or have recently moved into a comparable PLC from such a background. Rather than a career in internal audit, you are seeking a fast track to divisional finance director and beyond to the highest levels. Outstanding at managing people and change, you will be an excellent communicator, persuader and team player. You will be a self-motivating initiator with a determination to bring issues to a conclusion.

For further information in the strictest confidence, contact Raj Munde or Ian Dunbar, on 0171 240 1040. Alternatively, send your résumé quoting reference number 2047/11 to Morgan & Banks PLC, Brettenham House, Lancaster Place, London WC2E 7EN. Fax No:

£75K + CAR + RELOCATION

# Morgan & Banks

# FINANCIAL CONTROLLER

#### AMSTERDAM, THE NETHERLANDS

Our client is one of the world's leading Food & Beverages companies. With operations in more than 150 countries the company generates a rumover of approx. NLG 10 billion and employs more than 20,000 people worldwide.

Due to strong expansion foreseen over the coming years they are now looking to strengthen their Financial Control department by recruiting a controller who will be reporting to the Director of Control. The aforementioned department focuses on assisting all levels in the corporation in optimising their (financial) performance.

Your main responsibilities will be:

• designing and implementing policies and procedures in order to optimise and

realise long term strategical and operational planning by operating companies as well as Head Office:

- review and analysis of (financial) performance of operating companies and Head Office;
- assisting in acquisitions; Innovating and upgrading management information systems.

For this most attractive opportunity it is envisaged that the successful candidate will be educated to degree level with at least 8-10 years experience gained working for international businesses, being able to demonstrate excellent career progression within senior financial positions. There is a strong preference for candidates that have been exposed to the FMCG industry.

Excellent presentation, analytical and communication skills are essential as well as the ability to look from different aspects at the business. The business language is English, but a second European language is desirable, International travel will be required.

The group offers outstanding international career opportunities.

If you are interested in this opportunity, please contact Maurits A.N.M. Claassen on (31 20) 6444 655 or alternatively send your Curriculum Vitae to the following address: Robert Walters Associates, 'Rivierstaete', Amsteldijk 166, 1079 LH Amsterdam, The Netherlands, Parc (31 20) 6429 005, Internet:maurits-classen@ams.robertwalters.com

ROBERT WALTERS ASSOCIATES

A M S T E E D A M



## Acquisitive International PLC

# Financial Controllers/ **Directors**

#### Throughout Eastern/Western Europe

£ Excellent Packages

Our client is a rapidly expanding, UK owned major industrial plc, with international activities covering over 40 countries. The company has an annual turnover of £1.2 billion, an impressive record of profit growth and plans for future expansion.

They oow seek to recruit a number of exceptional finance personnel to take up key positions throughout Europe. They will be responsible for all aspects of financial management including monthly reporting egainst strict deadlines, budgeting, financial planning, local statutory accounting and systems enhancement.

Candidates will be qualified accountants with considerable UK experience, gained in either one of the major firms of accountants or within an international industrial entity. A thorough knowledge of UK GAAP is essential, and experience in treasury and texation would be an advantage. In addition, they need to be highly computer literate, display a pro-active style and possess

excellent communication skills, being able to communicate in English and at least one other European language.

The group expects its finance controllers/directors to demonstrate general management skills; being able to identify issues, initiate actions and drive through solutions, not only in their function but throughout the business. Therefore, these positions offer substantial opportunities for the successful candidates to prove they can both manage a finance function and contribute to running operations, whilst developing a truly international career in this exciting and expanding group.

Interested applicants should forward a comprehensive MEN in confidence, quoting reference 280595 to Hugh Everard, Director at Michael Page International,

Page House, 39-41 Parker Street, London WC2B 5LH or fax on +44 (0) 171 404 6370.

Michael Page International International Recruitment Consultants

London Paris Amsterdam Dosseldorf Frankfurt Hong Kong Sydney

# wirefree

## business planning & analysis

to £35,000 plus benefits

Orange is one of the best known wirefree mobile phone networks in the UK - and thanks to our dynamic branding, innovative products and emphasis on value for money, we expect very soon to be confirmed as the largest, with over 440,000 subscribers.

Orange is not only setting new standards in this market, we're establishing new directions for its development. We need Business Analysts of the highest calibre to play a major role in the evaluation of our strategic plans and to develop our financial analysis of business opportunities, new products and market developments.

We currently have at least two roles, one of which will concentrate on the evaluation of strategic opportunities, new products etc. The second role will analyse competitor activities, tariffs and market developments around the world.

Both positions will have a major input to our annual strategic planning and review cycle.



anners teleger

A qualified accountant (CIMA) or MBA with related work experience is essential (preferably from a telecoms background). You should have an open and flexible approach with the ability to produce high quality work under tight time pressures. Good communications skills are essential.

A fully expensed company car may be available to exceptional candidates. Relocation assistance will be provided where appropriate.

If you feel you have the appropriate qualifications and experience, please write including a full CV with salary details to our consultants: Ed Groombridga or Neit Wax, FSS Financial, 4a High Street, Windsor, Berkshire SL4 1LD. Fax: 01753 621877 or call them on 01753 621866 (evenings 0171

# (EXONORIZED AND ENGLISHMENT OF THE DEPOSITION OF THE PROPERTY 
Deloitte & Touche, one of the world's leading accounting and advisory firms, provides professional services to clients in more than 120 countries worldwide. Early in 1995, as part of a worldwide initiative, a new Management Advisory Services division was created. It services the needs of fast growing companies in the middle market sector (turnover approximately £150m), providing, for example, Information Technology, HR consultancy, financial management and profit improvement advice. It is enjoying rapid growth and plans to double in size over the next three years. As a result, we have an immediate need to appoint consultants at all levels who have wide experience of IT and the marketplace for mid-range systems and accounting packages.

You will have had a thorough grounding in IT gained through working in a disciplined environment on large scale IT projects but, crucially, know how to apply these skills sympathetically to the middle market. You will be adaptable and have the ability to explain technology solutions in lay terms, approach problems flexibly and fully understand the risks of mid-range implementations in owner managed businesses. You will be familiar with the main issues surrounding the systems development lifecycle including strategy, bespoke development, package selection and modification, networking, client server accounting systems and their impact on business processes.

Entrepreneurial flair and creativity are essential. You will have empathy

with the middle market and enjoy the challenges of working with dynamic owner managers.

You will be a graduate and very commercially aware. IT consultance with an accountancy background or accounting qualifications (with a minimum of two years post qualification experience) are ideal attributes. Also essential is your burning ambition to succeed in a division where only the promotable are employed. A very competitive remuneration package is offered.

To apply please contact our advising consultant Liz Hayward on 0171 626 2266 (daytime) or 0171 481 2864 (evenings/ weekends) or forward your CV to her quoting reference FIN/1403/6 at The Allison Partnership, Cannon Centre, 78 Cannon Street, London EC4N 6HH, Fax: 0171 626 2277.

MANAGEMENT ADVISORY SERVICES



c. £100,000 package + benefits

Blue-Chip Multinational

### **Divisional Finance Director**

Profitable £300 million turnover division of one of this country's most prestigious international groups has a dominant market share worldwide, over 3,500 staff and six overseas manufacturing sites. Recent promotion necessitates the appointment of a commercially minded finance professional with a manufacturing background to join the divisional board. OperaConal and strategic role with international travel and excellent career prospects.

Reporting to the Oivisional MO, a pic main board Director, with full responsibility for leading a 30-strong finance function.

- Close involvement with operating management in commercial negotiations and business reviews. Particular focus on product and customer profitability to improve margins and service levels.
- Key contributor to the continuing strategic growth and development of the division including acquisition reviews and integration.

Leeds 0113 2307774 Selector Europe London 0171 493 1238 Manchester 0161 499 1700

Graduate, qualified accountant, with structured

training gained in a blue-chip environment.

Manufacturing and international experience essential.

Evidence of real ability to engage a management

leam in critical review and lateral thinking in taking

on new ideas and initiatives. Able to facilitate change

in a determined but diplomatic manner. Dynamic

Proven people management, interpersonal and

communication skills. Potential to progress further in

Spencer Smart

finance or general management

THE QUALIFICATIONS

Price Waterhouse



# Ever spent three months in a tractor factory outside Gdansk or

negotiated a joint venture in the Ukraine

or an acquisition in the Hunan province, China?

## **International Finance Managers**

Eastern Europe/Central Asia £65,000 + bonus + car West London

The wish list of many a finance professional . . . ... would include a high profile role with a big multinational; a complex mix of wholly-owned operations, joint ventures and alliances; opportunities to get involved in exploiting new markets, acquiring companies and setting up operations to take advantage of shifting scenarios; and a chance to develop commercial controls for the joint ventures you have established.

One of the world's largest . . .

... non-US industrial combines, our company has a US\$5 billion turnover. Currently No. 2 in the world in our market sector, we see significant potential for growth through merger, acquisition and alliance in Eastern Europe and Central Asia.

Your expertise and ambition can unlock this potential... ... because for some time now you have been mulling over how to find the right entry point to really make things happen for your career. You are probably mid-30's (to fit in with our succession planning); consider yourself as having a professional background - accountancy. banking or industry, or perhaps a finance MBA; and you have three years worth of M&A exposure, be it due diligence work through to joint ventures. If this experience is tooted in the markets we are moving into, so much the better. You are at ease operating in multicultural environments ranging from highly sophisticated to the most basic and spartan; as comfortable dealing face to face as you are articulate in presentations. Beyond that, our wish list would be complete if you have language skills and exposure to a non-UK work culture. Experience in the developing world would also be a plus and if you have an agricultural/industrial background with knowledge of selling products through intermediaries and independent distributors as well, that Your style is not . . .

... authoritarian, hierarchical and status minded. On the contrary - it is consensual, creative, flexible, thoroughly commercial and definitely enthusiastic with the desire to be part of an organisation that takes a global and long-term view. Beyond that, if you can combine a proactive, sleeves up approach with a professional demeanour; if you are a self-motivated and self-teliant team player who is tougher than the going; and if you are willing to travel for long periods to parts of the map that doo't necessarily have room service . . . then we have a fit.

In return, what you get . . .

... is a career as opposed to a job; a European based group with a long term perspective; and a company that actually makes things as opposed to pushing paper around. As it that were not enough, our career/succession planning offers the genuioe opportunity to make a switch over the next couple of years to a broader operational finance role.

Write to our advising consultants, David Hunter or Hamish Davidson, at the address below quoting reference L/1633/FT. Alternatively call David on 0171 939 5721 or Hamish on 0171 939 5312 for a discreet conversation about turning your personal wish list

Executive Search & Selection, Price Waterhouse, No 1 London Bridge, SE1 9QL

Fax: 0171-403 5265

Internet: David\_Hunter@Europe.notes.pw.com

to £55,000 + & benefits

European Distribution

## **Finance Director**

division of a UK quoted international group with a turnover in excess of £1.5bn. Challenging remit to support the Managing Director within a cost-efficient framework to underpin further European expansion. A rare opportunity to make a genuine contribution to strategie and operational manag of exciting change and growth

Germany

■ Responsibility for all aspects of finance and IT throughout Europe. Motivating and leading country finance teams and IT staff to provide a first-class financial management and control service.

- Actively involved in strategic planning, budgeting and reviewing key areas of the business, focusing on profit and working capital management
- Contributing to the evaluation and close involvement in the integration of acquisitions throughout Europe, dealing directly with principals and co-ordinating third party advisors

Leeds 0113 2307774

ster 0161 499 1700

London 0171 493 1238

THE QUALIFICATIONS

- Ambitious graduate ACA, aged 30+, ideally with a second business qualification, with excellent financial analysis and management skills gained in an international blue-chip fast moving, multi-site business. Fluency in French or German highly desirable.
- Diligent, hard-working and enthusiastic with the commercial talent to make a management contribution across the business.
- Competent, flexible and mature manager with firstclass leadership and negotiation skills and the resourcefulness to thrive in an open, entrepreneurial

Selector Europe Spencer Stuart

# **Audit Director - Europe**

General Motors was founded in 1908 and is now the world's largest industrial corporation with net income of US\$8.9 billion and employing about 700,000 staff. General Motors' product

line includes Opel and Vauxhall passenger cars.

GM's International Audit Group is now seeking an Audit Director to be based from their Ruesselsheim (near Frankfurt) operations. Key responsibilities for the role will include: to manage audits for a wide range of operating

- activities throughout Europe including audits of suppliers and dealers.
- to direct special projects and investigations.
- to recruit, develop and schedule audit personnel. to play an important role in the management team of the International Audit Group.
- · to proactively interact with and present to top GM management.

For this demanding role you will have a risk-based audit approach with a minimum of 8 years large multinational company or Big 6 CPA/ ACA firm experience. You will be a graduate with excellent verbal and written communication skills,

> be well organised and possess strong auditing and analytical skills. Experience of managing and developing staff is essential as is fluency in English and German, International travel of approximately 50% is required as is a recognised professional certification.

An excellent salary and relocation package is offerred as well as outstanding career opportunities on a global basis in one of the world's most respected organisations. General Motors is an Equal Opportunity Employer,

Interested individuals will send a Curriculum Vitae, in English, to our advising Consultant Mr Kean August, quoting reference FT0039, on (Fax) +44 171 209 0001, or by post to FSS Europe. Charlotte House, 14 Windmill Street, London W1P 2DY, UK. Telephone +44 171 209 1000

for a confidential discussion.

TREASURY MANAGER

# Finance Director

#### Havant

Our client is a £60 million turnover business and is the recently acquired UK subsidiary of a US hi-tech multinational which is anticipating substantial growth within the UK and by broadening the customer base across Europe.

■ There is a requirement to recruit a Finance Director who can build a stand-alone finance function and help take the business forward. Initial key aspects of the role will be to implement new accounting and reporting systems and ensure that the department works as an integral part of the business with the production of timely and pertinent management information.

 Candidates will be qualified accountants with senior level financial management experience gained within a sizeable manufacturing environment, preferably

LONDON

than 80 countries.

£60,000 + car

with European activities. The successful individual must be able to demonstrate good staff management skills, successful implementation of systems and experience of foreign exchange management. US reporting knowledge would be advantageous.

■ Relocation assistance is available if appropriate.

■ Please send your curriculum vitae with current salary details and an explanation of how you meet these requirements to Carrie Andrews, Ernst & Young Management Resourcing, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH, quoting reference CA709.

**II ERNST & YOUNG** 

c£40,000 PACKAGE

# Financial Analysis & Engineering Manager

#### **Paris**

c 350,000 FRF

Our client is a worldwide telecommunications and information systems group. One of its business units (\$130 million) proposing services in these sectors is developing strongly and seek a high potential individual to support it's growth.

Reporting to the Financial Manager of this business unit, you will be responsible for all financial aspects of new bids. Key areas of involvement will be to: · Identify and estimate all financial risks and to

propose solutions in order to limit those risks.

Build clever project finance mechanisms. Candidates will be aged 30 to 35, graduate

ACA, MBA or have an equivalent European

degree with a proven experience of five years in financial analysis and engineering and/or as an international financial controller. Good communication skills, international experience and strong mobility are essential as well as experience in

Applicants should forward a full curriculum vitae including photograph, telephone number and current salary details quoting ref FLA13383 to

telecommunications or High Technology

sectors. Candidates must be fluent in English

Fabrice Lacombe at Michael Page International, 3 boulevard Bineau 92594 Levallois-Perret

Michael Page International

Group Treasury, based in London, is responsible for the

development and implementation of policies relating to cash

management, funding and the control of risk. This requires an

extensive and effective input to operating companies around the

laternal promotion has now created this opportunity for a

young treasury professional to join a high-calibre treasury team.

Reporting to the Deputy Group Treasurer, the principal area of

responsibility is the supervision and development of treasury

operations in Southern European and Far Eastern countries,

with an emphasis on improving cash management

arrangements. A second primary responsibility is the analysis

and management of the group's foreign exchange and interest

Our client is a major international marketing and To meet these challenges you are likely to be a graduate with an communications group with extensive global operations in more MCT or accountancy qualification, and will have had several years' treasury management experience in a multi-national corporate treasury team. A sound working knowledge of international cash management techniques is sought, together with experience in the analysis and control of currency and interest risks. In addition to an analytical, problem-solving intellect you will have the personal qualities which will enable you to work effectively with operating managers, outside advisers and bankers to achieve the required objectives. Some overseas travel will be required.

An attractive salary package is offered for this key appointment, and this will include the opponunity to earn performancerelated bonuses. Opponunities for further career development within the group are excellent.

Please write, in confidence, with full career and salary details to Douglas Austin, MSL International Limited, 32 Aybrook Street, London W1M 3JL, Please quote ref: 58598.



# IT Senior Appointments



# Applying advanced techniques to business growth.

#### to £30,000 + benefits

General Electric is a diversified technology, manufacturing and services company employing 260,000 people worldwide and generating revenues in excess of \$70 billion. Among 12 major businesses ranging from aircraft engines to broadcasting, GE Capital is one of the largest and most successful financial services companies in the world. Global Consumer Finance is one of its core businesses, providing a range of retail consumer finance packages through parmerships with prestigious blue-chip clients. We are looking for graduates to contribute to our continued expansion throughout the UK and within emerging European markets.

#### **Model Development Specialists**

You will be responsible for developing scoring models and other statistical techniques to be used in risk management. This will involve analysing a high volume of data to determine the effectiveoess of marketing initiatives, credit and risk management policy and the identification of future marketing opportunities. PC software applications

You will have a knowledge of advanced statistical techniques combined with at least 12 mooths' experience of modelling/data analysis. A high level of computer literacy is essential while a knowledge of programming would be useful. Alongside your

Leeds based

technical expertise, you should have the interpersonal skills to work effectively within a multi-disciplinary environment.

#### Risk Analysts

You will play a key role within the risk management function which encompasses new applications, behavioural scoring, portfolio management and collections procedures. This will involve investigating and identifying innovative new tools or strategies to improve company performance.

Your degree in a numerate discipline will need to be combined with good interpersonal skills and the ability to work on your own initiative. You must have experience of working with computerised analysis parkages, and a background within a directory or financial services organisacion.

We offer highly attractive salary and benefits packages and, for the right people, there will be first-class prospects for career development and diversification both within GE Capital and other GE companies.

Please write enclosing a clear and concise CV to our advising consultants, Hewitt Selection, 23 Park Drive, Hale, Altrincham, Cheshire WA15 9DG, Please quote reference 1304.



O SALES

Committee of the Commit 4 4 1 770 1 18809

like klanager

PENSIONS

GE Capital

Global Consumer Finance — UK

PRECISE AIM

TAKE



TARGET THE BEST

BY PLACING YOUR RECRUITMENT ADVERTISEMENT IN THE FINANCIAL TIMES YOU ARE REACHING THE WORLD'S BUSINESS COMMUNITY.

For information on advertising this section please call:

> Robert Hunt on +44 0171 873 4095

Andrew Skarzynski on +44 0171 873 4054

Location: Central London Based



"Not connected with the English Company of a similar name.

## "World-Class Consultancy Leaders"

#### Packages to c. £85,000

In an industry dominated by homogenous consultancies, our client stands out from the crowd. Quite simply, our client works in partnership with customers to deliver dramatic and substantial competitive advantage, through business transformation in the UK and abroad. Many consultancies make the same claim, but our client is genuinely different. They are an autonomous, Independent management consulting operation within a leading European IT Services group, helping their clients to define, design and implement changes that align their business strategies with their people, the way their people work

and the technology that they use. But what about their own people? The culture within this organisation is open and supportive. Every member of the team is encouraged to shape the future direction of the

Applications are welcome from people who wish to escape the traditional hierarchies of the consulting industry and whose primary concern is to create and deliver business solutions of real significance, working in partnership with customers of varying size and Finance/Utilities

The successful application of this philosophy has created a number of opportunities for senior professionals who relish business development and are used to winning and managing assignments in the financial services or utilities markets.

#### Divisional Heads

- · To head and establish a new vertical market team in an area of financial services or
- Minimum 8 years' experience in Consultancy.
- To deliver world-class consultancy services to "blue-chip" client base.
- Combine strategic business vision with strong delivery capabilities. The ability to operate at the highest levels in client organisations.
- Excellent interpersonal and communication skills.
- Demonstrable track record in Consultancy and/or financial services or utilities

#### Principal/Senior Consultants

- To work seamlessly with clients building close and participative relationships. Business focused with a rigorous approach to the analysis of the clients' business.
- Strong project management skills.
- · Minimum 5 years' experience in financial services or utilities management. e world be dis
- Experience of the intelligent application of technology as a business driver.
- Excellent interpersonal and communication skills.

It is expected that you will have the diplomacy, tenacity and versatility to contribute at the

In return, our client encourages an atmosphere of free-thinking, enabling you to flourish and progress your career working for one of Europe's leading services groups.

Rewards, as expected, are second-to-none. All positions attract a high base salary coupled with generous bonus, company car, private mention and prisons attract a high base salary coupled with generous bonus, company car, private mention and prisons. The second-to-none. All positions attract a high base salary coupled with generous bonus, company car, private mention and private ment Rewards, as expected, are second-to-none. All positions attract a high base salary coupled with generous bonus, company car, private medical and pension schemes. To apply, please send your CV and a covering letter including current salary details and, where

HARVEY NASH PLC

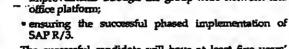
# **Group IT Director**

### **Food Sector**

**East Midlands** This well known group enjoys a leading market position distributing fresh convernence foods into both the UK inultiple retail market and across Europe. A culture of autonomy and empowerment enables its two business sectors to continue to develop at a time when retailers are taking increasing control of the supply chain.

Group IT provides functional leadership to divisional management, ensuring a cohesive systems strategy and consistency of technical standards and best practice. Key tasks will include:

- developing the cross-business synergies which strong functional IT leadership can deliver;
- looking for ways in which the group's impressive business and profit growth can be further enhanced through the application of IT;
- rolling out and pursuing further



The successful candidate will have at least five years'

c.£60.000 + Bonus + Car

improvements through the group-wide network and

senior management experience at a strategic level within a fast-moving consumer oriented business. Experience of manufacturing and, process control would be advantageous. A consultative style, displaying high levels of commercial awareness and technical understanding, is a key quality. In addition, outstanding communication akills and a combination of strategic vision and detail orientation are essential for success in this high profile role.

> Please send a full CV in confidence to GKRS at the address below, quoting reference number 501J on both letter and envelope, and including details of

SEARCH & SELECTION CLAREBELL HOUSE, 6 CORK STREET, LONDON W1X 1PB. TEL: 0171 287 2820

A GKR Group Company

FT IT Recruitment appears each Wednesday in the UK edition, and each Friday in the international edition

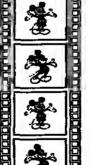
For more information on how to reach the top IT professionals in business call:

> Will Thomas +44 171 873 3779 Clare Bellwood +44 171 873 3351



The WACT DISNEP Company.

## **Project Leader** Finance/Accounting Systems



#### **Excellent Package**

The Walt Disney Company is a name known throughout the world, that is synonymous with innovation and the finest quality entertainment. Filmed Entertainment Information Services supports three major business strands of film, video and TV. Our II environment incorporates the application of some of

The Filmed Entertainment business in Europe now seek a Project Leader to provide them with the appropriate financial systems using bespoke and/or package solutions. This will involve initial business analysis through liaison with the user community, package and vendor selection, development, implementation and

Reporting to the systems manager and with technical resource under your control, the key challenges of the role will be your project management of internal and external resources combined with the analytical ability to identify the best solutions to user problems. There is successful candidate must be able to demonstrate

#### **Location: West London**

accounting system implementation experience with recent knowledge of LAN/PC and/or mid-range accounting systems such as JD Edwards, Coda or Sun Account. In addition, you should have at least 3-5 years project delivery experience. Of graduate calibre (ideally with an accountancy qualification) you should be familiar with general accounting and financial reporting, preferably gained in an entertainment,

This is an excellent opportunity for a key individual to work within the exciting and dynamic business environment at Walt Disney. You will experience the benefits of working within a growing organisation where new business opportunities and expansion could

To apply please send an up-to-date CV, including salarydetails and a daytime telephone number to the advising consultants, at Harvey Nash Plc. 13 Bruton Street, London W1X 7AH. (Tel: 0171 333 0033). Please quote reference number HN1934FT.



MANDARIN CHINESE **Analyst Programmer RPG 400** 

**New Business Development** 

International Travel

Global Financial Services Co.

Location SE

Excellent Salary & Benefits

Please call Mary Lon Hayes

GRADUATE **APPOINTMENTS** 

Tel: 0171 379 0333 Fax: 0171 379 0113

**Senior Business Analysts** 

Senior Business Analysts must be able to show strong structured

analytical experience preferably in an Object Oriented environment with

an understanding of how large financial organisations identify and control

risk. A good grasp of one or more of the following product areas is

You will have at least two years' experience of a nurober of front office

trading systems with six months+ in front/middle office. lo addition, a

strong statistical background is required to assist in the definition of risk

You will typically have at least two years' experience to trading risk or from office environments with six rounths+ to front/middle office. In

addition, a strong statistical background is required to assist in the

You must be capable of defining the mathematics behind one or more of

required: Fixed Income, Equity, Mooey Market and Foreign Exchange.



# IT City Appointments



# **RISK – Professionals**

# Management Systems

AMS's business is to partner with clients to achieve breakthrough performance through the intelligent use of information technology. AMS is a business and information technology consulting firm that provides a full range of services: business re-engineering, change management, systems integration and systems development and implementation. AMS, which completed its 26th consecutive year of growth, has 6,000 consultants working in 47 offices worldwide. AMS's European revenues have grown at an annual rate of 97%, making the firm the fastest growing consultancy in Europe.

The RISK practice of AMS is focused on larger financial institutions. Through our 10 European offices, we assist our clients with a range of consulting services that help bridge the gap between best practices finance theory and current state. Our expertise includes mathematical concepts, organisational design, risk controlling and information technology.

Positions are now available to work initially in Europe on the design and implementation of Global Risk Management Systems. Our culture is driven by producing measurable results for our clients. We interface with all levels of the client organisation. We deliver a range of tangible benefits such as data warehousing, VAR reports, risk engines and change management programs.

### UK ♦ NETHERLANDS ♦ GERMANY ♦ FRANCE

£45-55,000

£45-55,000

## C++ Analyst Programmers

Analyst Programmers are required with a minimum of two years' anancial systems development experience of Object Oriented design and development concepts using C++. Although Sybase Version 10 or other

RDBMS would be ideal, it is not essential. Working in highly focused business systems groups, your role will be to develop OO solutions for complex and dynamic risk systems. The ability to translate business ideas into re-usable components is critical.

You must have a basic understanding of trading products - primarily interest rate based and derivatives - with a working knowledge of Unix, preferably Solaris or HP-UX. Ideally you will have spent at least two years' in the areas of trading risk or front office systems with six months+ in

## Database Architect – Sybase

A talented Database Architect is required with a detailed understanding of database development concepts and at least two years' financial systems experience, using all Sybase products including supporting development utilising Replication Server.

A background in trading risk or front office systems - primarily interest rate based and derivatives - with six months+ in froot/middle office is Ref: 053/96

the following product ranges: Fixed Income, Equity, Money Market and Foreign Exchange and their derivatives, Your skills will include structured analysis and design in an Object Oriented environment with knowled

management methodologies.

**Financial Engineers** 

definition of risk management methodologies.

of the use of MS Excel or other spreadsheets.

For a detailed discussion regarding any of the above positions please contact us quoting the appropriate reference. 1 Groveland Court, Bow Lane, Loodon EC4M 9EH. Tel: 0171 236 4288 or 0171 248 0393.

Fax: 0171 236 4277. E-mail: info@cidelite.co.uk http://www.citlelite.co.uk

paralle

### Derivatives Software Support & Consultancy Services



£Excellent

+Bonus

City

risk management software within the Capital markets. Established in California and with offices around the world we bave a reputation both for excellence in the innovation and quality of our products and for the calibre and expertise of our people.

Renaissance Software is a

premier supplier of trading and

As a result of continued success in Europe we wish to expand our Client Account Development Team and our Quantitative Unit in London. Our requirement is for high-calibre professionals with a proven background in derivatives products. These are key positions calling for strong client/project management and quantitative analysis skills. Expertise in either systems integration or financial modelling are an advantage.

Self motivation and strong presentation and communication skills are seen as pre-requisites as is the flexibility to travel to overseas client sites when necessary.

Responsibilities will include identification of client product needs and opportunities and development and consultancy on implementations. These are exceptional opportunities offering substantial rewards and rapid career progression for the right candidates.



WALKER

St. James's London SVIV of I

1010 0171 839 4444 Fax: 0171 809 5857

Please write or phone in confidence to our advising consultant Jane Moore at: ARC International, Recruitment & Consultancy Services,

15/16 New Burlington Street, London W1X 1FF.

Tel: 0171-287 2525 Fax: 0171-287 9688. E-mail arc@itjobs.co.uk.

## BANKING/FINANCIAL

#### **DERIVATIVES**

- BANK BENS

Business analysts with an in-depth knowledge of either Risk Management or Derivatives are required to join this leading world bank. Your brief will include the analysis of new systems, as well as the on-going development of new valuation and pricing models. A strong academic background coupled with a knowledge of C/C++, SYBASE and Client/Server architecture is a distinct advantage. Superb opportunities to join this truly elite team.

#### OTC DERIVATIVES

Top Player in currency derivatives requires high calibre candidates with research level mathematics expertise and a good understanding of financial markets. As an iotegral + BANK BENS member of this leading research team your brief will include analytics, development Monte Carlo simulations and complex pricing and risk analysis to identify opportunities in the market. Outstanding opportunities for ambitious individuals who could eventually be running their own Derivatives team in 12-18 months.

#### C++/MATHS

BY PLACING YOUR RECRUITMENT

ADVERTISEMENT IN THE FINANCIAL TIMES YOU ARE REACHING THE WORLD'S RUSINESS COMMUNITY.

Two financial engineers required with solld mathematics and C++ expertise. As integral members of a team supplying market risk Information for fixed income, your primary activities will include relative value analysis, statistics and development of pricing tools for the trading desks. Bighly numerate technicians with superior intellect need only apply.

PROJECT MANAGER/TRADING SYSTEMS The Equities division of this leading international lovestment Bank requires an experienced project manager with solld trading systems, C++ and leadership skills. You will have full budget management control and provide a 'hands on' approach to successful delivery of systems, Excellent opportunity for a 'technical' team leader to broaden their sphere of influence.

#### C or C++/UNIX

Premier lovestmeot Bank requires high calibre developers. Based on the trading floor, you will develop analytic applications supporting a diverse group of Fixed locome products. Environment is SUN/UNIX/C/ SYBASE moving to Object-Oriented architecture including C++, Rogue Wave libraries, Object Ceotre and Rational Rose. Good degree, stroog C/C++ programming and solid design skills. Preference giveo to candidates with SYBASE and financial expertise.

#### RISK MANAGEMENT

Top class developers with at least 18 mooths' SYBASE and C++ are required to join this leading international consultancy. You should have a demonstrable interest in the financial markets as well as the resilience to work in an extremely fast moving covircoment. Excellent prospects including European travel and rapid

We have many more. Our consultants have an in-depth understanding of this market and how it can work best for you, so please call isabel Blackley or Paul Wilkins on 0171-287 2525 to discuss your options. Alternatively please send, fax or e-mail your CV to us at: ARC International, Recruitment & Consultancy Services, 15-16 New Burlington St, London WIX 1FF.

Tel: 0171-287 2525



Fax: 0171-287 9688

## CREDIT SUISSE FINANCIAL PRODUCTS

#### IT Auditor/Consultant

#### London

£ Exceptional Package

Credit Suisse Financial Products continues to enjoy outstanding success in the highly competitive and dynamic environment of derivative products. The achievement of being voted "Derivatives House of the Year 1995" by Euromoney confirms our pre-eminence and our commitment to innovation and excellence. This is directly associated with our development and use of leading-edge information technology.

Continued expansion in this field has created an opening for an experienced IT/accounting professional, seeking an opportunity to develop a strong understanding of the global derivatives market. This remit will also extend to Credit Suisse London before offering Credit Suisse, London, hence offering exposure to a full range of banking

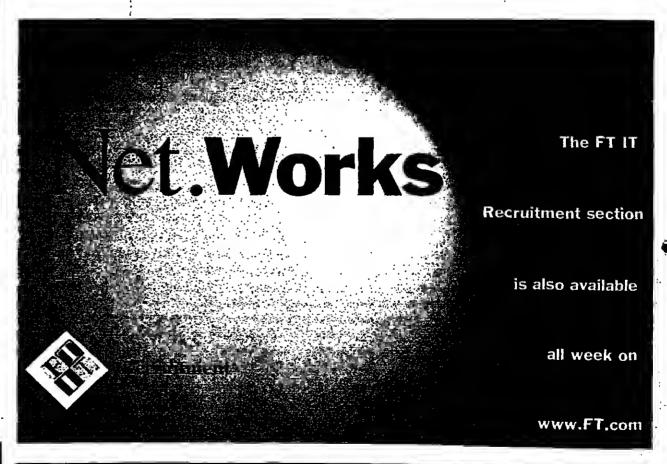
Forming part of the London based Audit Group, this role will offer you the chance to make a significant contribution by providing solutions which will enhance controls and improve business processes. You will work independently on technical

IT reviews and also extensively with the financial auditors, planning and performing integrated business audits. involvement in development projects, aimed at maintaining the bank's competitive edge, will be an integral part of the role. There will be limited travel to locations such as New York. Tokyo and Hong Kong.

You will ideally be a qualified accountant, aged 26-30, working within a big 6' firm or another financial institution, with experience of new technology platforms. You should also be experienced in modern development techniques and complex business requirements, enabling you to make recommendations to senior management.

In return for your expertise and commitment you will benefit from an excellent remuneration package. This will include a competitive basic salary, performance related bonus, car allowance and other banking benefits.

Interested applicants should forward a CV in the strictest confidence to our retained advisers, Guy Townsend or Robert Walker of Walker Hamili Executive Selection, quoting



## For Banking, Finance & General Appointments please turn to pages

14-19

or contact:

Robert Hunt +44 171 873 4153 Toby Finden-Crofts +44 171 873 3456 Andrew Skarzynski +44 171 873 4054

## TAKE PRECISE AIM



TARGET THE BEST

For information on advertising in this section please call;

Toby Finden-crofts on +44 0171 873 3456 or Andrew Skarzynski on +44 0171 873 4054